UNITED
NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/CN.17/1994/7
21 April 1994

ORIGINAL: ENGLISH

COMMISSION ON SUSTAINABLE DEVELOPMENT
Second session
16-27 May 1994
Item 6 (b) of the provisional agenda*

REVIEW OF SECTORAL CLUSTERS, FIRST PHASE: TOXIC CHEMICALS AND HAZARDOUS WASTES

Hazardous wastes

Report of the Secretary-General

CONTENTS

	Paragraphs	Page
INTRODUCTION	1 - 2	3
I. GENERAL OVERVIEW	3 - 16	3
II. REVIEW OF THE PROGRESS ACHIEVED IN PROGRAMME AREAS OF CHAPTER 20 OF AGENDA 21	17 - 79	5
A. International cooperation	17 - 50	5
1. Programme area A: promoting the prevention and minimization of hazardous waste	20 - 33	6
2. Programme area B: promoting and strengthening institutional capacities in hazardous waste management	34 - 41	11
3. Programme area C: promoting and strengthening international cooperation in the management of transboundary movements of hazardous wastes	42 - 47	13

* E/CN.17/1994/1.

CONTENTS (continued)

	Paragraphs	Page
4. Programme area D: preventing illegal international traffic in hazardous wastes	48 - 50	14
B. Some country experiences	51 - 62	15
C. Technology and finance	63 - 79	18
1. Technology	63 - 69	18
2. Finance	70 - 79	21
III. CONCLUSIONS AND PROPOSALS FOR ACTION	80 - 93	23
A. Conclusions	80 - 89	23
B. Proposals for action	90 - 93	25

BOXES

1. United Nations publications relevant to hazardous wastes 8

2. Main meetings or workshops held by United Nations organizations since the United Nations Conference on Environment and Development . 9

3. Three examples of economic benefits from cleaner production 10

4. One new way to clean up hazardous wastes 19

5. A successful partnership 20

6. Funding through and of the secretariat of the Basel Convention (SBC) 23

INTRODUCTION

1. In its decision 1993/314 of 29 July 1993, the Economic and Social Council approved the provisional agenda for the second session of the Commission on Sustainable Development which in its item 6 provided for a review of sectoral clusters, first phase, including toxic chemicals and hazardous wastes (item 6 (b)).

2. The Secretary-General was requested, by the Commission at its first session, to prepare thematic reports, such as the present one, corresponding to the sectoral clusters of Agenda 21 1/ to be included on the agendas of forthcoming sessions of the Commission. The Commission requested that the Secretary-General include in such thematic reports information, inter alia, on the main activities that countries were undertaking or planning. 2/ In order to give the United Nations Secretariat sufficient time for the analysis of information received, the Commission encouraged Governments to submit their information not less than six months prior to the Commission's sessions. 3/ Unfortunately the Secretariat had received only a few national reports at the time of the preparation of this report. The report was therefore based mostly on available information within the United Nations system.

I. GENERAL OVERVIEW

3. Economic growth is accompanied by the production of wastes which are often hazardous to health and the environment. Generation of wastes occurs at all stages of production, transportation, transformation, distribution and consumption of goods and services. Responsibility for their disposal is often unclear. Their direct and indirect costs are not reflected in competitive prices set by free markets. Such costs are often borne by society in general at the local, national and international levels unless legislation based on the "polluter pays" principle provides otherwise.

4. Widespread attention to the problem of wastes has increased considerably in the developed countries at first especially with regard to industrial wastes. More recently concerns have also focused on hazardous wastes from agriculture, households and hospitals and a variety of service industries.

5. The adverse health and environmental impacts of hazardous wastes have led to a variety of conflicts between wastes generators and local communities. Such conflicts have extended to distant communities when the transport and disposal of hazardous wastes have involved dumping sites far away from their source. Similarly, transboundary movements have given rise to international conflicts.

6. Because of disparities in power structures within and among nation States, there is an inherent tendency to transfer the burden of hazardous wastes disposal from the rich to the poor either legally through agreements and payments of fees or illegally. That tendency is further strengthened by the magnitude of the costs of the treatment and/or disposal of hazardous wastes at their source and by the absence and/or prohibition of any disposal sites.

7. Many dump sites of hazardous wastes in the developed countries have been identified. They are now also being increasingly identified in developing countries and countries in transition. Their adverse impacts on health and the environment, involving soil and water contamination, have been established. Despite considerable technological progress of clean-up technologies, overall costs are invariably described as enormous.

8. The above pertains to the civilian sectors of national economies. In recent years political developments associated with the end of the cold war and widespread openness have revealed massive problems with military establishments both in the developed countries, and in those of Central and Eastern Europe, as well as in the successor States of the former Union of Soviet Socialist Republics, especially with regard to biochemical, radioactive and hazardous wastes.

9. Despite the magnitude of the problem of hazardous wastes, only a limited number of countries have adopted appropriate legislation and regulations. Where such measures have been adopted, their effective implementation has not been altogether satisfactory. Less than half of the member countries of the United Nations have ratified the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. Related protocols such as the protocol on liability and compensation are at the formulation stage. Similarly, only five countries have ratified the Bamako Convention on the Ban on the Import into Africa and the Control of Transboundary Movement of Hazardous Wastes within Africa.

10. Even though an increasing number of countries are establishing hazardous wastes treatment facilities, capacities in place in many countries are not sufficient to respond to current needs. Off-site recycling is widely used for waste minimization.

11. Ill-defined and ill-specified export of wastes apparently destined for recovery open the door to illegal traffic. Various reports emphasize the magnitude and seriousness of this problem. According to a recent report, the newly porous borders of the former Eastern bloc and developing countries have helped spur an often ugly world trading market in environmental waste. Economists, traders and multinational corporations see waste as an emerging global resource because it has value and can often be traded like a commodity. Indeed, businesses involved with the most fungible wastes such as paper, plastics and glass are already planning for formal commodity futures exchanges, similar to those that exist for oil, metals and agricultural products. The sums involved are enormous. The global waste management market in 1991 was worth more than $90 billion, about half of the value of world trade in metals and ores. Some forecasts estimate that waste management including hazardous wastes as a global business will be worth $500 billion or more by the year 2000.

12. Waste dumping cases in the newly opened countries of Eastern Europe and the former Soviet Union have run into the thousands over the last two years alone. Toxic chemicals and chemical wastes from Germany have turned up in Romania and Ukraine. Hazardous wastes have been found dumped in Albania, the Russian Federation, the Baltic republics, the Czech Republic, Hungary and Bulgaria.

13. The motive for such dumping stems from the rising cost of proper wastes disposal. Under American and European environmental laws, the cost of disposing of hazardous industrial and mining waste can reach as high as several thousand dollars per ton. Shipping such material abroad is often much cheaper. Furthermore, because of regulatory and political objections as well as public opinion in the developed countries, even waste incinerators and landfills boasting state-of-the-art technologies that reduce pollution to minuscule amounts compared with years past none the less take decades to build.

14. In the meantime, waste traders, seeing large-scale opportunities, propose to construct huge incinerators in poorer countries to which the traders would then ship large amounts of industrial wastes from the developed countries for burning. Traders promise to finance construction entirely with their own money and sometimes to provide cheap electricity generated from the waste fires as a bonus. 4/ These circumstances have already led to the adoption of a decision, at the recent second meeting of the Conference of Parties to the Basel Convention, to ban the transboundary movement of hazardous wastes completely (see para. 43).

15. Despite an increase in awareness of the need to adopt a preventive approach through cleaner production in order to achieve waste minimization, and more broadly, pollution prevention, efficient widespread use of cleaner technologies is inhibited by many factors, including inadequate government policies, limited capital for major investments and insufficient dissemination of information on commercially available forms of those technologies.

16. Similarly, very few countries have developed appropriate economic instruments and institutional arrangements for the implementation of hazardous wastes policies that could provide the necessary incentives to industry and consumers for a significant shift to cleaner processes and products.

II. REVIEW OF THE PROGRESS ACHIEVED IN PROGRAMME AREAS OF CHAPTER 20 OF AGENDA 21

A. International cooperation

17. In chapter 20 of Agenda 21, entitled "Promoting the prevention and minimization of hazardous wastes", the United Nations Conference on Environment and Development specified the following overall targets:

(a) Preventing or minimizing the generation of hazardous wastes as part of an overall integrated cleaner production approach; eliminating or reducing to a minimum transboundary movements of hazardous wastes, consistent with the environmentally sound and efficient management of those wastes; and ensuring that environmentally sound hazardous waste management options were pursued to the maximum extent possible within the country of origin (the self-sufficiency principle). The transboundary movements that took place should be on environmental and economic grounds and based upon agreements between the States concerned;

(b) Ratification of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and the expeditious elaboration of related protocols, such as the protocol on liability and compensation, mechanisms and guidelines to facilitate the implementation of the Basel Convention;

(c) Ratification and full implementation by the countries concerned of the Bamako Convention on the Ban on the Import into Africa and the Control of Transboundary Movement of Hazardous Wastes within Africa and the expeditious elaboration of a protocol on liability and compensation;

(d) Elimination of the export of hazardous wastes to countries that, individually or through international agreements, prohibited the import of such wastes, such as the contracting parties to the Bamako Convention, the fourth Lomé Convention or other relevant conventions, where such prohibition was provided for.

18. In this context, the United Nations Conference on Environment and Development identified four programme areas for action at the national and international levels, namely, (a) promoting the prevention and minimization of hazardous wastes, (b) promoting and strengthening institutional capacities in hazardous waste management, (c) promoting and strengthening international cooperation in the management of transboundary movements of hazardous wastes, and (d) preventing illegal international traffic in hazardous wastes.

19. Unfortunately only a small number of reports have been submitted by Governments on progress made in the implementation of the programmes in chapter 20 of Agenda 21. However, the United Nations Environment Programme (UNEP), as task manager, submitted a comprehensive report on the activities of the United Nations system. Consequently, the main part of this section concentrates on United Nations activities in each programme area followed by a description of a few country experiences based on information available to the United Nations Secretariat at the time of the preparation of this report. A considered assessment of progress made can be attempted only as and when much more information is submitted on country experiences.

1. Programme area A: promoting the prevention and minimization of hazardous waste

20. The objectives of this programme area are to reduce the generation of hazardous wastes as part of an integrated cleaner production approach, to optimize the use of materials by recycling and to enhance knowledge and information on the economics of prevention and management of hazardous wastes.

21. The full implementation of this programme area lies primarily with industry and other hazardous waste generators, while Governments provide an enabling environment through their regulations and incentives for the prevention and minimization of hazardous wastes.

22. An increasing number of industries have started to implement cleaner production or pollution prevention and recycling programmes, through better

management practices, changes in the raw materials used and improved production processes. An increasing number of industry associations have adopted codes of conduct or of practice, such as the International Chamber of Commerce (ICC) Business Charter for Sustainable Development and the chemical industry's "responsible care", which includes specific references to pollution prevention and waste minimization.

23. Governments, mainly in developed countries, are beginning to adopt regulatory approaches promoting cleaner production and recycling, for example, through the establishment of clean environmental performance targets with flexibility regarding the means to meet those targets, and of reporting requirements for pollution and waste emissions.

24. However, many obstacles remain with respect to reaching the objectives of this programme. Countries undergoing rapid industrialization lack the regulatory framework and the subsequent enforcement systems that would compel industry to use cleaner production. Most developing countries lack capital for major cleaner production investments, even though they would have a good return on those investments. Industry in many countries, in particular small- and medium-sized enterprises, lacks the awareness, access to information, and expertise to implement cleaner production.

25. The United Nations system has oriented its activities towards promoting cleaner production and waste minimization as an effective way to solve hazardous waste problems.

26. UNEP has developed a comprehensive cleaner production programme in close cooperation with, in particular, the United Nations Industrial Development Organization (UNIDO), the International Maritime Organization (IMO) and the Organisation for Economic Cooperation and Development (OECD). In order to promote environmental management systems in industry, UNEP and UNIDO jointly published waste and emission auditing procedures in 1992, which are used in their training activities. Documents, presentations at international seminars and videos are just a few of the instruments used by the United Nations system to increase awareness on cleaner production and corresponding management tools, reporting and life-cycle analysis (see boxes 1 and 2). UNEP and ICC have set up an international advisory panel of top industry managers and government officials and non-governmental organizations to review progress in the implementation of the Business Charter for Sustainable Development.

27. UNEP and UNIDO have organized a number of training activities to support countries in building technical capabilities in cleaner production methods. UNEP and UNIDO are also working jointly on an initiative to establish a number of national cleaner production centres (NCPC) in developing countries. Those centres would play a coordinating and catalytic role in initiating cleaner production by giving technical information and advice, demonstrations of cleaner production techniques and technologies, and training of industry and government professionals in industrial environmental management. If funding becomes available, the first phase of this initiative will involve the establishment of seven centres during the period 1994-1996.

Box 1. United Nations publications relevant to hazardous wastes

Reports

Audit and reduction manual for industrial emissions and wastes (English, French, Chinese, Spanish), 1993, United Nations Environment Programme/United Nations Industrial Development Organization (UNEP/UNIDO)

Training manual on policies and strategies for hazardous waste (English, French, Spanish), 1993, UNEP with the Economic Commission for Latin America and the Caribbean (ECLAC)

Training manual on landfill of hazardous industrial wastes 1993, UNEP

Cleaner production worldwide, 1993, UNEP

Assessment of sources of air, water and land pollution, two volumes, 1993, the World Health Organization (WHO)

Managing medical waste in developing countries, 1994, WHO

Framework on the preparation of technical guidelines for the environmentally sound management of wastes subject to the Basel Convention; technical guidelines on hazardous waste from the production and use of organic solvents (Y6); technical guidelines on hazardous waste: waste oils from petroleum origins and sources (Y8); technical guidelines on wastes comprising or containing polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) and polybrominated biphenyls (PBBs) (Y10); technical guidelines on wastes collected from households (Y46) (English, French, Spanish) adopted provisionally by the first meeting of the Conference of the Parties to the Basel Convention.

Periodicals

Cleaner Production Newsletter, UNEP, biannual

EnTA Environmental Technology Assessment, newsletter, UNEP, biannual

Managing Hazardous Wastes, newsletter (2 issues in 1992, 1 issue in 1993)

Nature and Environment Review, quarterly, UNEP (on managing contaminated land)

Box 2. Main meetings or workshops held by United Nations organizations since the United Nations Conference on Environment and Development

International

First meeting of the Conference of the Parties to the Basel Convention, Uruguay, 1992

UNEP ministerial meeting and senior-level seminar on cleaner production, France, 1992

Various meetings in the framework of the Basel Convention

Regional

UNEP workshop on landfill of hazardous waste, Jordan, 1992

International Labour Organization (ILO)/UNEP/WHO "train the trainer" workshop on environmental management in industry, Mauritius, 1993

Secretariat of the Basel Convention (SBC)/ECLAC workshop on hazardous waste management, Santiago, Chile, 1993

UN/Economic Commission for Europe (ECE) workshop on low and non-waste technologies, Warsaw, Poland, 1993

UNEP/WHO regional workshop on medical waste management, Dubai, United Arab Emirates, 1994

WHO/UNDP workshop on safe management of hazardous waste, Quezon City, Philippines, 1993

National

Various workshops involving UNEP, UNIDO, ILO, on cleaner production, including waste minimization, held in India (chemical industry, textile, tanneries), Thailand (textile, metal finishing), China (various industry sectors), United Republic of Tanzania, Tunisia, Mexico and Brazil

28. Site-specific demonstration activities to assess benefits and difficulties in implementing cleaner production have also been carried out, for example, in China jointly by UNEP and the World Bank; in Egypt, Senegal, and Zimbabwe by UNEP with the support of ICC and the Netherlands; and in Egypt and India by UNIDO (see box 3). UNEP together with the United Nations, the United Nations Conference on Trade and Development (UNCTAD) and other international and national organizations have launched the Environmental Technology Assessment (EnTA) activity as a tool to support the development and application of environmentally sound technology.

Box 3. Three examples of economic benefits from cleaner production

During the first phase of the UNEP/World Bank project, 67 low- and no-cost options implemented in seven plants for US$ 16,500 saved US$ 350,000 and reduced pollution load by more than 50 per cent.

As reported in Cleaner Production Worldwide, published by UNEP and the Government of the United Kingdom of Great Britain and Northern Ireland:

(a) An investment of US$ 180,000 in a metal-processing factory in Singapore brought a yearly saving of US$ 87,000, while reducing air emissions, and cyanide wastes, and improving the working environment;

(b) A textile plant in India stopped using highly polluting sodium sulphide in the dyeing process and substituted hydrol, which was a waste stream from the maize starch industry. This change required no capital expenditure, but brought an annual saving of US$ 3,000. The maize starch industry also benefited from this arrangement.

29. UNEP's report entitled "From regulation to industrial compliance" and associated training material and activities promote the integration of cleaner production approaches into the developing enforcement systems. Similarly, the secretariat of the Basel Convention (SBC) has disseminated draft model legislation on hazardous wastes which include elements of waste prevention and minimization.

30. Cost-benefit aspects of cleaner production are dealt with in the UNEP/UNIDO Waste Audit and Reduction Manual and in UNEP's International Cleaner Production Information Clearinghouse (ICPIC). ICPIC is expanding to include a database that features cleaner production case-studies (including costs-benefit elements), abstracts of cleaner production publications, information on events related to cleaner production and a message centre. The information is collected by international industry sector working groups on leather, textiles, metal finishing, mining, pulp and paper, cleaner products and biotechnologies, and by the countries themselves. A diskette version will soon be available to facilitate access to that information. This database is available for use by other United Nations organizations. It also supplements other organizations' databases, such as UNIDO's Industrial and Technological Information Bank (INTIB) and more specifically its Energy and Environment Information Systems (EEIS), aimed at providing information on environment issues to developing countries.

31. The monitoring of the hazardous waste situation, including waste minimization initiatives, is currently being carried out through the inter-agency Global Waste Survey and database coordinated by IMO in collaboration with UNEP, SBC, the World Health Organization (WHO), UNIDO, UNDP, the Food and Agriculture Organization of the United Nations (FAO), the World Bank, the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Economic Commission for Europe (ECE). Over 100 countries participated in this survey. The results of phase one of the survey are available from IMO. It

gives an overview of the hazardous waste management situation in countries, but does not in fact contain detailed data or statistics on waste generation. The survey will be completed in late 1994 by which time the feasibility phase of the database will be transferred to UNEP (probably SBC) for updating, maintenance and wider inter-agency usage.

32. Reporting obligations for Parties under the Basel Convention include information on the development of technologies for the reduction of hazardous wastes. To date over 30 countries have prepared such reports. Strategy guidelines prepared by SBC in 1993 under the Basel Convention coordinate national activities. Coordination and monitoring of cleaner production activities are executed through biannual high-level meetings of government representatives, industry, and industrial organizations, who review the progress of the cleaner production programme. In this connection, in 1992 a ministerial and senior-level meeting was held and another one is planned for 1994. OECD and SBC have a memorandum of understanding confirming cooperation in data and information exchange relating to the implementation of the Basel Convention.

33. Results of research and development in cleaner production technologies are disseminated by the United Nations system during regular, ongoing meetings with Governments and industry. UNEP's technical guides and the World Bank/UNIDO/UNEP industry guidelines are used by United Nations system project managers. UNEP also promotes the development and use of environmental technology assessments and more research and development on life-cycle assessment. An international expert seminar on life-cycle assessment was held in the Netherlands and the results have been widely disseminated.

2. Programme area B: promoting and strengthening institutional capacities in hazardous waste management

34. The objectives of this programme area are to adopt appropriate coordinating, legislative and regulatory measures at the national level for the environmentally sound management of hazardous wastes, including the implementation of international and regional conventions; establish public awareness and information programmes on hazardous waste issues and to ensure that basic education and training programmes are provided for industry and government workers in all countries; establish comprehensive research programmes on hazardous wastes in countries; strengthen service industries to enable them to handle hazardous wastes, and to build up international networking; develop endogenous capacities in all developing countries to educate and train staff at all levels in environmentally sound hazardous waste handling and monitoring and in environmentally sound management; promote human exposure assessment with respect to hazardous waste sites and identify the remedial measures required; facilitate the assessment of impacts and risks of hazardous wastes on human health and the environment by establishing appropriate procedures, methodologies, criteria and/or effluent-related guidelines and standards; improve knowledge regarding the effects of hazardous wastes on human health and the environment; and make information available to Governments and to the general public on the effects of hazardous wastes, including infectious wastes, on human health and the environment.

35. There is world-wide awareness, catalysed by UNEP and SBC in cooperation with agencies, on hazardous waste issues and policies to address them. Regulations, mainly in developed countries, have been adopted to secure adequate treatment of hazardous waste. Treatment facilities, either on site or collective, are starting in developing countries.

36. However the situation is far from satisfactory. There is a lack of health surveys and epidemiological studies of the health impacts of hazardous waste mismanagement, as well as a lack of health impact assessments of existing hazardous waste treatment or disposal facilities. Enforcement of regulations, when they exist, is often insufficient. There is a lack of institutional capabilities in government to address this issue. Small- and medium-sized enterprises do not have the awareness or the possibility to develop their own treatment facilities. The capacity of adequate treatment facilities is insufficient to respond to current needs. As a result, uncontrolled disposal of wastes on land increasingly leads to soil contamination, which threatens surface and underground waters.

37. Examples of United Nations assistance to Governments that allow them to measure the extent of national hazardous waste problems include the Global Waste Survey, coordinated by IMO with the cooperation of SBC and UNEP, which will produce national waste inventories and inventories of disposal facilities. This Survey has provided national Governments with waste data-collection questionnaire forms to assist national investigations.

38. Training activities cover an array of aspects of waste management and involve several United Nations entities. Between 1987 and 1993, regional workshops on hazardous waste management policies treatment, disposal and minimization, organized by UNEP, were attended by 280 nationals from 85 countries. During 1993, several workshops were held by UNEP and SBC in the Latin American and Caribbean region, and the Asia and Pacific region on the implementation of the Basel Convention, and further work will be done with financial assistance from the European Union (EU). International training courses have also been held at national centres in Germany, Sweden and Thailand. WHO's Global Environmental Technology Network (GETNET) has training activities focused on occupational health assessments and control procedures. GETNET is also used as the infrastructure for an inter-agency collaboration between UNEP, WHO and ILO on "train-the-trainers" capacity-building with a focus on Africa.

39. Other aspects of this programme involve the establishment of regulatory frameworks and the dissemination of technical guidelines, exemplified by several International Labour Organization (ILO) conventions and its Recommendation concerning Safety in the Use of Chemicals at Work, as well as the dissemination of technical guidelines on the handling of specific waste types and wastes destined for recovery operations, the handling of hospital waste especially in developing countries, and the identification and remediation of contaminated sites. Within the United Nations system much of this work is produced by SBC, UNEP and WHO.

40. United Nations activities in the dissemination of health information, establishment of national health databases, and information on disposal operators include collection and dissemination, by UNEP as well as WHO and ILO

together through the International Programme on Chemical Safety (IPCS), of information on health aspects of chemicals and wastes as well as UNEP's technical publication on hazard identification in a local community, also applicable to waste disposal facilities. SBC also collects information, provided by Parties to the Basel Convention, on human health effects and disposal operations in addition to a current list of national authorities and focal points designated by Governments. UNEP publishes a directory of information sources on hazardous wastes, listing relevant national institutions nominated by national focal points, including a bibliography of important references.

41. With regard to hazardous waste treatment technologies, the United Nations system publishes information such as the World Bank/UNEP/WHO manual and the technical guidelines on waste treatment and disposal techniques (published by UNEP and SBC). The International Register of Potentially Toxic Chemicals (IRPTC) database also includes disposal methods for waste chemicals. The United Nations Educational, Scientific and Cultural Organization (UNESCO) has a programme on marine monitoring of chemical parameters commonly found in some industrial wastes, and sponsors symposia and training as well as on geochemical aspects of waste disposal and groundwater protection.

3. Programme area C: promoting and strengthening international cooperation in the management of transboundary movements of hazardous wastes

42. The objectives of this programme area are to: facilitate and strengthen international cooperation in the environmentally sound management of hazardous wastes, including control and monitoring of transboundary movements of such wastes, including wastes for recovery, by using internationally adopted criteria to identify and classify hazardous wastes and to harmonize relevant international legal instruments; adopt a ban on or prohibit, as appropriate, the export of hazardous wastes to countries that do not have the capacity to deal with those wastes in an environmentally sound way or that have banned the import of such wastes; and promote the development of control procedures for the transboundary movement of hazardous wastes destined for recovery operations under the Basel Convention that encourage environmentally and economically sound recycling options.

43. Since the United Nations Conference on Environment and Development, a number of steps have been taken by the international community towards implementing the objectives of this programme area. Notable achievements were the adoption, in 1992, of the waste nomenclature of the Basel Convention, and the adoption in 1992 by OECD countries of a decision concerning the control of transfrontier movements of wastes destined for recovery operations (including to non-OECD countries), which should shortly be effectively implemented by the European Union. At its second meeting, held from 21 to 25 March 1994, the Conference of Parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal adopted the following decision:

(a) To prohibit immediately all transboundary movements of hazardous wastes that were destined for final disposal from OECD to non-OECD States;

(b) To phase out by 31 December 1997, and prohibit as of that date, all transboundary movements of hazardous wastes that were destined for recycling or recovery operations from OECD to non-OECD States.

44. Activities by the international community in the area of strengthening and harmonizing criteria and regulations on waste and the implementing of existing agreements have included as regards the Basel Convention the production of manuals to facilitate its implementation. Cooperation between OECD, the European Commission (EC) and the Basel Convention secretariat has established notification and movement forms to satisfy simultaneously several international agreements on movement control, namely EC Regulation 259/93, OECD Council Decision C(92)39/FINAL and the Final Act (21 March 1989) of the Basel Convention. SBC and OECD are also cooperating closely on harmonizing aspects of the criteria for the definition of hazardous characteristics, inclusion of a number of wastes subject to the Basel Convention in the Harmonized System of the Customs Cooperation Council, and the formats of the notification and movement documents of the Basel Convention with that of the draft notification and tracking forms used and prepared by OECD.

45. Other OECD activities include review of testing procedures to characterize wastes, collection of data on transfrontier movement of hazardous waste, and the development of control systems for such movements when destined for recovery operations.

46. SBC assists developing countries in the implementation of the Convention through technical and legal advice, often through the provision of model legislation and training, and also through assistance in the prevention and management of hazardous wastes in the case of illegal traffic.

47. Model national legislation including an institutional framework has been prepared by SBC and provided to countries in order for them to deal adequately with transfrontier movement of waste. Training activities undertaken by UNEP and SBC contain an element dealing with transfrontier movement of wastes.

4. Programme area D: preventing illegal international traffic in hazardous wastes

48. The objectives of this programme area are to: reinforce national capacities to detect and halt any illegal attempt to introduce hazardous wastes into the territory of any State in contravention of national legislation and relevant international legal instruments; assist all countries, particularly developing countries, in obtaining all appropriate information concerning illegal traffic in hazardous wastes; and cooperate, within the framework of the Basel Convention, in assisting countries that suffer the consequences of illegal traffic.

49. Despite Conventions, recommendations and agreements in this area there is increasing evidence that ill-defined and/or ill-specified import and export of hazardous wastes destined for recovery can open the door to the illegal traffic of such wastes as indicated in section I of this report. The recent decision of

the Conference of Parties to the Basel Convention is an important step towards closing this door (see para. 43).

50. The United Nations system has concentrated its efforts in this programme area on training, information, and monitoring. Guidance documents on hazardous waste legislation and enforcement are published by UNEP and SBC, backed up by country-specific assistance in some cases. Joint programmes between UNEP and ESCAP have been set up as regards monitoring and reporting on illegal traffic in hazardous wastes in the Asia and Pacific region, but funding is sought for similar programmes in other regions. SBC is establishing a reporting system on illegal traffic as required by the Convention, while OECD has one already on legal traffic.

B. Some country experiences

51. In developing countries there is often a lack of institutions and infrastructures for dealing with hazardous wastes. Industries often go uncontrolled as to their toxic releases or waste disposal and there is little capacity to reuse or recycle wastes. Personnel is often untrained at both the industry and the government level for safe handling of wastes.

52. Legislation regarding waste management is gradually being introduced or updated in some countries. Screening of disposal, utilization or processing of wastes of foreign origin has been initiated in some cases. Recently, a proposal for generating electricity from polychlorinated biphenyl wastes from Japan was turned down in Myanmar. Capacity-building, training, regional and international cooperation and information exchange along with a strong coordinating body at the national level seem to have been common primary requirements by developing countries.

53. In developing countries undergoing rapid industrialization , hazardous waste management is one of the most challenging environmental concerns. Legislation as regards hazardous waste seems to be in place, and in some cases implementation of the Basel Convention and prior-informal-consent (PIC) is under way as well. In Malaysia, regulations dedicated to hazardous waste control have been in force since 1989 based on the cradle-to-grave concept. In the Republic of Korea, 38 per cent of hazardous waste is treated by the generator of that waste, while the rest is treated by private or public waste management companies licensed by the Government. In Tunisia, however, hazardous waste in many cases is just stored untreated at the site of generation or disposed of at municipal disposal sites. In other developing countries there is increasing concern as to the management of non-industrial hazardous waste, especially hospital waste.

54. In countries such as Myanmar, priority focus has been initiated in its petroleum industry because of the need to address the particular hazardous and toxic characteristics of the necessary chemicals, catalysts and additives. A similar strategy is being followed in Sri Lanka where industries generating particularly large quantities of hazardous wastes are being monitored by the Central Environmental Authority as to their compliance with domestic standards and plans are under way to relocate some industries such as tanneries to a common site having a central waste treatment plant. In Malaysia, working groups

have been formed to address the issue of the generating of hazardous waste by particular industries such as petroleum, asbestos, paints and electroplating.

55. Several developing countries emphasized a need for more information on innovative recycling, incineration and treatment technologies and methods because of the growing realization by concerned authorities of the grave threat of hazardous wastes to human health and the environment.

56. In general, newly industrialized developing countries have started to take steps to establish appropriate legislation, regulation and institutional structures in order to encourage cleaner production technologies, especially for new investments. Yet even these countries report on the need for improved measures for the transfer of appropriate technologies. Other developing countries emphasize the need for international assistance in all aspects of hazardous wastes management, especially in training and information exchange.

57. In the economies in transition management of hazardous wastes seems to be particularly problematic. In Hungary about 5 million tons of hazardous wastes are generated per year, of which 60 per cent is "red mud" from aluminium smelting. Half of the aluminium smelting waste is stored untreated at disposal sites or in transitional facilities. Waste management programmes planned during the mid-1980s for a network of regional hazardous waste landfills and incinerators failed to be completed because of financial constraints associated with the collapse of previous political and economic regimes, and only half of the planned installations are now in operation. Appropriate governmental regulations seem to be in place as regards both handling and import/export, and in some case these are harmonized with the Basel Convention, PIC and EU. However lack of resources hinders implementation. International and regional cooperation in this area is of increasing importance. Strategies for hazardous wastes management have been developed, for example, by Poland and Hungary Action on Reconstruction of Economies (PHARE). In Estonia, fairly recent legislation regulates waste management, and it is, to the extent possible, in line with international conventions and agreements. Enforcement is constrained by lack of specialized treatment facilities, lack of knowledge and trained personnel and other fundamental problems related to land and property reforms and the contamination of former military sites.

58. In some Western European countries such as the Netherlands and the United Kingdom of Great Britain and Northern Ireland, there is active involvement in the formulation of EU policies and directives as regards the management and prevention of hazardous wastes. More countries are also considering stricter regulations in the export of wastes for recycling, where this is still permitted by the Basel Convention. Countries involved in the North Sea Ministers' Conference are introducing limitations to releases of hazardous substances into the North Sea. In the United Kingdom it has been estimated that some 100,000-200,000 hectares of land are contaminated by industrial processes, and there is now a review of the liability, as well as the scientific and technological issues, involved in land restoration. The Government of the United Kingdom is also involved in formulating policies to reduce agricultural waste and the use of pesticides. In that country, major industrial processes are required by law to employ the best practicable environmental option under integrated pollution control. The United Kingdom is of the same opinion as many

other industrial countries that cleaner production methods are much more efficient as a pollution prevention approach than end-of-pipe solutions, often resulting in less waste as well. The United Kingdom takes care of its own wastes and is reducing imports from other developed countries. Waste destined for recovery, mostly among OECD countries, can be a valuable alternative to the use of raw materials and the United Kingdom would like to see such shipments continue provided that the waste is handled responsibly and in an environmentally sound manner.

59. In the United States of America, the principal federal laws regulating hazardous wastes are the Resources Conservation and Recovery Act (RCRA) and the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), also known as the Superfund Act. The former is a nationwide programme designed to protect human health and the environment from the risks of improper management of hazardous and solid wastes, providing a cradle-to-grave system of regulations administered by state governments with federal supervision. The latter, which is not delegated to state level, was designed to prompt clean-up of sites and other areas where past disposal posed a threat to the environment and human health. The United States is currently developing legislation necessary for the ratification of the Basel Convention. The United States has numerous programmes addressing all aspects of hazardous waste management and minimization. Waste minimization's being of the highest priority has led the Environmental Protection Agency (EPA) to issue guidelines for waste reduction programmes requiring generators to make their waste reduction programmes available to the public, to develop strategies to strengthen technical control over incinerators and increase public participation in the permitting process, and to evaluate existing regulation with a view to seeing its effect on recycling efforts. Activities related to innovative technology development are under the purview of several federal agencies. For example, EPA has the Technology Innovation Office and the Superfund Innovative Technology Evaluation Programme.

60. Twenty years of attempting to regulate hazardous wastes in the United States has led to a realization of the critical importance of preventing pollution rather than controlling the impact of those wastes on the environment. Wastes will always have to be regulated but programmes reducing their creation at the source have tended to be more effective both as regards the environment and economics. The United States has also found that public participation in decision-making processes involving the management of hazardous and solid wastes solves many of the difficult issues that are involved. The United States has had widely reported difficulties with its Superfund. The cost and pace of clean-up activities have been larger and slower than anticipated. This programme has also resulted in very large so-called transaction costs, basically involving legal fees. The Government has carried out an evaluation of the Superfund in anticipation of its reauthorization in 1994, with the goals of enhancing enforcement fairness, reducing transaction costs, and enhancing clean-up effectiveness and consistency, public involvement and the role of the States.

61. Canada has also embraced a similar policy direction to that of the United States, namely one of prevention rather than cure when it comes to hazardous wastes. This has inv lved voluntary programmes by industry, government legislation and economic incentives. The Hazardous Waste Minimization

Committee, established by industry, and involving Governments, environmental groups and labour, is a part of this voluntary approach. Canada has set a target to reduce the amount of hazardous waste destined for final disposal by 50 per cent of its 1990 level by the year 2000.

62. In 1993, the Canadian Council of Ministers of the Environment (CCME) re-established the Hazardous Waste Task Force in order to achieve uniform management of hazardous waste across Canada. Part of this effort is a comprehensive national inventory of hazardous waste and a catalogue of waste facilities. Canada has North America's first fully integrated hazardous waste treatment plant, namely the Alberta Special Waste Treatment System. This is jointly owned by the Alberta Government and a private enterprise and includes transfer stations, transportation systems and the treatment plant. Otherwise there are active programmes involving waste minimization, reuse and recycling in other provinces. The Governments of Canada and the United States have initiated regional cooperation in order to better understand the transboundary movement of hazardous waste between the western parts of their countries. Canada has fairly recently upgraded legislation in order to ratify the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal as well as OECD decisions on wastes for recovery.

C. Technology and finance

1. Technology 5/

63. Three different aspects of hazardous waste technologies require consideration, namely treatment, clean-up technologies for existing contaminated sites and cleaner production technologies for hazardous wastes minimization and prevention in new investments. However, particular efforts to achieve new solutions should be made in the last two fields.

64. As pointed in section I of this report there is already a substantial waste management industry in the developed countries which is expected to grow considerably in the medium-term future. The growth of this industry has been promoted by national legislation requiring higher standards in treatment and disposal as well as clean-up of hazardous wastes sites. Financing for these purposes has been provided by new instruments such as the Superfund of the United States with contributions from both government and the private sector as well as funding from state and local authorities. The development of cleaner production technologies has been prompted by actual or feared liability in the generation of hazardous wastes by existing technologies and general technological advance. All three technology aspects of this industry are growing rapidly with consequences for information exchange and transfer of technologies issues.

65. In general there has a been growing exchange of information and experiences since the United Nations Conference on Environment and Development. UNEP's International Cleaner Production Information Clearinghouse has been developed and is increasingly in demand. However, the task of collecting, assessing and disseminating this kind of information to users is large and requires more funding. The establishment of clearing-houses that disseminate information is

seldom carried out by the private sector, even though private enterprises often contribute by providing free information on cleaner production technologies and management practices. Funding, therefore, must generally be provided by the public sector.

66. There are some examples of incentives created to increase the momentum of the introduction of new technologies in this area. The United States Environmental Protection Agency has put forward a proposal replacing incineration as a Best Demonstrated Available Technology (BDAT), with alternatives for many land-banned wastes, such as recycling and waste-minimization technologies. The air pollution industry is consequently moving away from end-of-pipe solutions to technologies preventing pollution in industrial processes because of these other kinds of incentives and regulations.

67. Given the numerous problems connected with the traditional incineration of hazardous wastes, such as release of toxic substances up the smokestack, new ways are being sought to handle the clean-up of hazardous wastes. Box 4 presents one example.

Box 4. One new way to clean up hazardous wastes

An American company has developed a technology that has had some very favourable responses, involving the immersion of wastes and toxic chemicals in metal at 1,760 degrees Centigrade (3,200 degrees Fahrenheit) where they then break down into their constituent elements because of the heat and catalytic effect of the metal. Hydrocarbons break down into hydrogen, which goes off at the top, and carbon, which boils off as carbon dioxide if oxygen is provided. Valuable materials in the resulting metal alloy can be recovered eventually. The leftover slag, which would include chlorine, could be made into abrasive or processed further. The company has recently announced an agreement with another American company to build the first commercial plant using this technology at the United States Department of Energy's Oak Ridge facility. The plant will be handling Department of Energy waste-first hazardous wastes, but there are long-term possibilities of the handling also of radioactive wastes. The plant will process 10,000 tons of waste per year (cost US$ 20-25 million); funding will be provided by the United States Department of Energy, and it is expected that the plant will be operational by late 1995. Watery wastes are not suitable for this technology because of the additional energy requirements of heating up the water. This technology would be attractive to companies since with such technology on site they would be able to classify their waste as process intermediates and thus evade costly regulations and long-term liability.

Sources: John Holusha, "No-smoke ways to burn wastes", New York Times, Wednesday, 16 June 1993; and "Waste management: hot solution", The Economist, 10 July 1993.

68. The introduction of cleaner production technologies are more difficult to assess. In most countries there is, however, a tendency for new investments in capital stock to be "cleaner" than the older ones especially if there is a high cost attached to handling any resulting toxic releases and wastes from a given process.

69. A growing number of successful partnerships is being developed at bilateral and multilateral levels involving Governments and, increasingly, the private sector. UNEP is publishing jointly with the Prince of Wales Business Forum and Tufts University a booklet on such successful partnerships involving industry. One example is presented in box 5.

Box 5. A successful partnership

For many years, all major electronic suppliers had been chlorofluorocarbon-13 (CFC-13) as a cleaning solvent to remove soldering residue from circuit boards in the cleaning process. In response to the Montreal Protocol on Substances that Deplete the Ozone Layer, one of the world's largest telecommunications companies decided to implement alternatives. To extend its elimination programme and share its success, this company formed partnerships with other stake holders in further projects to assist in ozone layer protection. One such partnership was with the Industry Cooperative for Ozone Layer Protection (ICOLP), a Washington, D.C.-based association of 17 multinational corporations, Governments and industry associations from the United States, Sweden, the former Soviet Union, Mexico and Japan.

Mexico was the first country to sign the Montreal Protocol. It was also the first developing country to commit to eliminating CFC solvents 10 years earlier, then mandated for developing countries by the Montreal Protocol. Mexico continues to play a leadership role through its partnership with this large company of Canada and the Environmental Protection Agency (EPA) of the United States in a project to eliminate ozone-depleting solvents from Mexican industry. Experts from ICOLP held workshops throughout Mexico to introduce alternative technologies. In cooperation with the Mexican Environment Ministry (SEDUE), EPA and the company created a project for technology cooperation: SEDUE provided intersectoral consultation and facilitated investments in environmentally sound technologies; EPA provided support in the development of environmental control procedures; and the company shared its experience in implementing processes and technologies, managed the series of workshops and coordinated the input of experts from other companies.

2. Finance 6/

Programme area A

70. Agenda 21 has estimated the total annual cost of implementing the activities of this programme areas at US$ 750 million coming from the international community on grants or concessional terms. This estimate was based on a target of establishing and operating national training centres and projects in 60 developing countries.

71. To date no centres have been established. There has been agreement to launch feasibility studies for the establishment of one centre in Africa (possibly in Nigeria), one in Latin America (possibly in Argentina or El Salvador) and one in China. One developed country has expressed interest in funding the feasibility study for the centre in Latin America. The Basel Convention secretariat also undertook an exploratory mission to China in 1993 to explore the possibility of a feasibility study forums centre in China, provided funds are made available to SBC. In sum, there had been no actual funding allocated to the establishment of centres by the time this report was being written.

72. There is limited dispersed information on the financing of and budgets on hazardous waste minimization by each United Nations organization. Available on United Nations system expenditures includes the following:

(a) The UNEP cleaner production programme budget amounted to US$ 800,000 in 1993, mainly from the environmental fund. In addition, total contributions of US$ 430,000 were brought by Denmark, the Netherlands, France, the European Union and the United States. In-kind support of US$ 250,000 was brought by the United States (secondment of one senior-level staff and support to the development of the database), the United Kingdom (funding of a publication), Norway and the Netherlands (funding of consultants), Denmark (secondment of one consultant), and Australia (sponsoring of a working group and international conferences). This represents an increase from 1990, even if it is still insufficient in view of the needs;

(b) UNIDO's cleaner production activities amounted approximately to more than US$ 2 million in 1993. The Netherlands is providing US$ 1.8 million and Denmark is expected to provide the same amount in 1994;

(c) The SBC total budget in 1993 was US$ 2,263,000, of which US$ 1,474,650 were allocated to the Trust Fund for the implementation of the Basel Convention and US$ 88,740 were allocated to the Technical Cooperation Trust Fund to assist developing country members in the implementation of the Basel Convention.

Programme area B

73. At the United Nations Conference on Environment and Development, it was estimated that the annual cost for this programme area would be US$ 18.5 billion including US$3.5 billion for developing countries, of which US$ 500 million would come from the international community.

74. There is no comprehensive estimate of expenditures for this purpose in either the developed or the developing countries. Some identifiable expenditures by the United Nations system in this programme are as follows:

(a) The SBC budget for 1993 was US$ 2,263,390, of which $1,474,650 were allocated to the Trust Fund for the implementation of the Basel Convention and $788,740 were allocated to the Technical Cooperation Trust Fund to assist developing country members in the implementation of the Basel Convention;

(b) During 1992/93, WHO spent around US$ 100,000 from its regular budget and US$ 100,000 from extrabudgetary funds in activities related to hazardous wastes, especially medical waste, including interregional and regional meetings, documents preparation and consultantships in members countries;

(c) The Global Environment Facility (GEF) has funded three projects dealing with treatment of ship wastes in China, the Mediterranean and the Caribbean for a total of US$ 45 million.

Programme area C

75. It was felt at the United Nations Conference on Environment and Development that this programme area covered a relatively new field and no cost estimate was presented at that time. The United Nations Conference on Environment and Development, however, requested SBC to present cost estimates at the second meeting of the Parties to the Basel Convention to be held in March 1994. The Open-ended Ad Hoc Committee for the Implementation of the Basel Convention did not endorse this proposal.

76. Agenda 21 highlights capacity-building to deal with transfrontier movement of wastes, and the United Nations system and SBC have undertaken several activities.

77. Training activities undertaken by UNEP and SBC contain an element dealing with transfrontier movement of wastes. The Parties to the Basel Convention requested SBC to organize national and regional workshops and training programmes on the implementation of the Convention and Agenda 21 chapter 20 objectives. A trust fund for technical cooperation was set up to assist developing country Parties in the implementation of the Convention to which Parties were invited to contribute. Of seven planned workshops for 1993, at a total cost of US$ 275,000, only one was held, in Santiago, Chile, because of a lack of financial contributions.

78. This funding mechanism, namely, assessed contributions to the core SBC trust fund and voluntary contributions to the technical cooperation trust fund, is clearly inadequate. It does not provide the required stability for planning and implementing activities on a continuous basis involving the largest possible number of Contracting Parties.

Programme area D

79. No cost estimate was prepared at the United Nations Conference on Environment and Development for this programme area. All activities in this area were, or have been, undertaken within existing resources available to SBC (see box 6).

Box 6. Funding through and of the secretariat of the Basel Convention (SBC)

In accordance with decision I/7 on Institutional and Financial Arrangements, adopted by the Parties in December 1992, two trust funds were established, namely, the Trust Fund for the Basel Convention, with a budget for the implementation of the Convention estimated at US$ 1.47 million in 1993; and the Technical Cooperation Trust Fund to help countries in need of assistance to implement the Convention, with a budget of approximately US$ 790,000 for 1993. Parties and non-parties were requested to make their voluntary contributions to the Technical Cooperation Trust Fund.

The total budget estimated for 1993 to enable SBC to undertake all activities envisaged by the Convention was the sum of the amounts earmarked in the trust funds, namely, US$ 2.26 million. Contributions by Parties being delayed, UNEP has been obliged to provide SBC with reserve funds on a reimbursable basis. Not counting costs related to the approved staff table of SBC, it has disbursed a total of only US$ 629,000 in 1993 in all activities. These activities cover only the current 62 parties to the Convention and overlap only in part with activities proposed in Agenda 21. Neither SBC nor any of the other international organizations mentioned above have at present specific provisions in their budgets for the implementation of Agenda 21 chapter 20 activities.

III. CONCLUSIONS AND PROPOSALS FOR ACTION

A. Conclusions

80. The rapid evolution in environmental thinking in recent times has brought waste management and waste prevention closer together. Waste minimization through a cleaner production approach, aimed at preventing emissions and waste waters and efficient use of energy and other natural resources, is now understood as being fundamental to comprehensive waste management strategies. However, the translation of this public consensus into viable investments will require a variety of measures that will involve the accelerated application of available cleaner technologies and the development of new techniques through a strengthening of research and development programmes, especially by the private sector.

81. At present, the development and use of cleaner technologies is insufficient to meet the cleaner production challenge. Furthermore, the private sector is not closely associated with the development and implementation of hazardous waste management policies and small- and medium-sized enterprises do not have

the necessary environmental awareness or the expertise and financial resources to deal with the hazardous waste issue.

82. Government legislation and regulations are required, especially in developing countries and the economies in transition. The impact of such instruments, however, will remain limited in the face of the absence or inadequacy of trained personnel and institutional structures, as well as the political will to enforce regulations.

83. Data and statistics on waste production, which are necessary for waste management strategies and activities and for monitoring achievements and overall management, are often fragmentary and unreliable, especially in developing countries.

84. Ill-defined or ill-specified recycling activities often open the door to illegal traffic in wastes, especially because of powerful financial incentives provided by the high costs of recycling in developed countries and corresponding opportunities in developing countries where such activities often lead to adverse health and environmental effects and little financial benefit.

85. The clean-up task of existing hazardous waste sites in both developed and developing countries as well as the economies in transition remain a formidable challenge which will require enormous financial resources, the more widespread application of existing clean-up technologies and the development of new methods and techniques.

86. In the United Nations system there has been a notable shift from policy development to capacity-building, with greater inter-agency cooperation. In view of the strong priority given to cleaner production and prevention approaches throughout Agenda 21, the United Nations system is increasingly emphasizing this approach in agendas for meetings and training programmes.

87. In banning ocean dumping of hazardous waste, effective 1 January 1996, IMO and the Contracting Parties to the London Convention of 1972 have also called for increased emphasis on minimization and recycling of all waste. Both UNIDO and UNEP have joined with the World Bank in order to incorporate cleaner production concepts into the forthcoming industrial guideline series which will cover over 80 industrial sectors. Greater efforts are being made to promote environmentally sound recycling of hazardous waste.

88. UNEP and SBC have now begun to concentrate on providing support to countries to implement policy and technical guidelines for hazardous waste management.

89. There is also an apparent improvement in the partnership among the various shareholders: Governments, industry, non-governmental organizations and international organizations. The various United Nations organizations, and particularly UNEP and SBC, are providing a neutral forum to discuss solutions with regard to handling the hazardous waste issue, as well as other environmental management issues in industry, to improve technology transfer and to periodically review progress as well as problems yet to be solved. The UNEP/ICC high-level panel to review progress in the implementation of the

Business Charter for Sustainable Development provides a good example of such a partnership.

B. Proposals for action

90. Even though some progress has been made, much remains to be done in order to achieve Agenda 21 objectives. The following points highlight some of the main actions required to overcome constraints and obstacles.

91. Institutional:

(a) Enforcement capabilities of regulations, when they exist, have to be strengthened;

(b) The private sector has to be more closely associated with the development and implementation of hazardous waste management policies. Small- and medium-sized enterprises currently do not have the necessary environmental awareness and the expertise and financial resources to deal with the hazardous waste issue;

(c) Ill-defined or ill-specified recycling activities open the door to the illegal traffic of waste. Loopholes in existing conventions, agreements and recommendations have to be closed. A big step in that direction was the recent decision taken at the second meeting of the Conference of Parties to the Basel Convention (see para. 43);

(d) Data and statistics on waste production, particularly in developing countries will be vital for hazardous waste management strategies and activities, and for monitoring achievements and overall hazardous waste management. The United Nations system has started work in this area through the Global Waste Survey. It is already clear that waste generation surveys will always be difficult and costly to conduct because of the complexity of waste composition and testing procedures. Harmonized methodologies and nomenclature, in addition to cost reductions, should be sought in this area. OECD's quality improvements in their waste import/export data could serve as a good example.

92. Technical:

(a) More attention has to be paid to the production of hazardous wastes from sources other than industry, such as agriculture, hospitals, and the domestic sector, and other discarded products that contain hazardous substances;

(b) More effort has to be directed towards the development and demonstration of cleaner technologies in order to meet the cleaner production challenge through their wide application in all countries;

(c) Exchange of information on cleaner production experiences and training has to be strengthened;

(d) Examinations of the full dimension of soil and water contamination, due to improper disposal of hazardous wastes as well as improper use of

pesticides and fertilizers or air pollutants particularly in developing countries, have to be stepped up as in some cases these acts might be environmental emergencies waiting to happen.

93. Economic:

(a) Capital investments are required for instituting cleaner production processes resulting in cost-effective production often with short payback periods;

(b) Governments should develop economics instruments to complement their hazardous waste legislation in order to provide the necessary incentives for industry and consumers to shift towards cleaner processes and products.

Notes

1/ Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992, vol. I, Resolutions adopted by the Conference (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex II.

2/ See Official Records of the Economic and Social Council, 1993, Supplement No. 5A (E/1993/25/Add.1), chap. I, para. 28.

3/ Ibid., para. 24.

4/ Steve Call, "Global economy faces the global dump", International Herald Tribune, 24 March 1994.

5/ This subsection is based in part on a report distributed to the Commission on Sustainable Development's Inter-sessional Ad Hoc Open-ended Working Group on Technology Transfer and Cooperation (which met from 23 to 25 February 1994), entitled "UNEP input to the report of the Department of Policy Coordination and Sustainable Development of the United Nations Secretariat on chapter 34 of Agenda 21 ("Transfer of environmentally sound technology, cooperation and capacity-building"): the case of technology transfer for hazardous waste management".

6/ The information in this subsection is partly based on background paper, No. 4, entitled "Financing of hazardous wastes for sustainable development", which was available to the Commission on Sustainable Development's Inter-sessional Ad Hoc Open-ended Working Group on Finance (which met in New York from 28 February to 3 March 1994).

UNITED
NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/CN.17/1994/8
3 May 1994

ORIGINAL: ENGLISH

COMMISSION ON SUSTAINABLE DEVELOPMENT
Second session
16-27 May 1994
Item 8 of the provisional agenda*

HIGH-LEVEL MEETING

Policy issues that may be addressed at the high-level meeting of the Commission on Sustainable Development

Report of the Secretary-General

CONTENTS

		Paragraphs	Page
INTRODUCTION		1 - 3	2
I.	CRITICAL DIMENSIONS OF SUSTAINABILITY	4 - 7	3
II.	SUSTAINABLE DEVELOPMENT INDICATORS	8	4
III.	FINANCE AND TECHNOLOGY	9 - 17	5
IV.	ROLE OF MAJOR GROUPS	18 - 20	8
V.	THE COMMISSION'S WORK PROCESSES	21	9
VI.	PREPARATIONS FOR THE THIRD SESSION OF THE COMMISSION	22 - 27	9

* E/CN.17/1994/1.

94-20230 (E) 110594 13/05/94

INTRODUCTION

1. The second session of the Commission on Sustainable Development is being held almost two years after the conclusion of the United Nations Conference on Environment and Development (UNCED). Agenda 21 1/ and the decisions and recommendations of the Commission at its first session (E/1993/25/Add.1, chap. I) have provided the major pivots and guidance to inter-sessional activity.

2. The Commission has before it detailed information in the report of the Secretary-General containing an overview of cross-sectoral issues (E/CN.17/1994/2 and Add.1); the reports of the Inter-sessional Ad Hoc Open-ended Working Groups on Finance (E/CN.17/1994/10) and Technology Transfer and Cooperation (E/CN.17/1994/11); the six reports of the Secretary-General, on health (E/CN.17/1994/3), freshwater resources (E/CN.17/1994/4), human settlements (E/CN.17/1994/5), toxic chemicals (E/CN.17/1994/6), hazardous wastes (E/CN.17/1994/7) and radioactive wastes (E/CN.17/1994/15); and the background papers which provide information on activities of the United Nations system, prepared by the various task managers. In addition, the papers which contained the background material for the two Working Groups and other governmental and non-governmental initiatives, are being made available to the Commission. The report of the High-level Advisory Board on Sustainable Development (E/CN.17/1994/13) is also before the Commission.

3. Taking into account the agenda and discussions during the second session, the open-ended, high-level meeting could focus, inter alia, on the following themes:

(a) Critical dimensions of sustainability:

(i) Changing consumption patterns;

(ii) Trade and sustainable development;

(b) Sustainable development indicators;

(c) Finance and technology:

(i) Flow of financial resources;

(ii) Technology transfer;

(d) Role of major groups;

(e) The Commission's work processes;

(f) Preparations for the third session of the Commission.

I. CRITICAL DIMENSIONS OF SUSTAINABILITY

4. Chapters 2 to 5 of Agenda 21 contain the building blocks of sustainable development. Many of the activities recommended in these chapters are subject to detailed discussion in specialized forums. The high-level meeting may wish to give detailed attention to two issues: changing consumption patterns and trade and sustainable development.

Changing consumption patterns

5. Chapter 4 of Agenda 21 is unique in so far as the issues raised in it are discussed at the intergovernmental level primarily in the Commission on Sustainable Development. The Commission has therefore the special responsibility for reviewing the role and impact of unsustainable patterns of production and consumption in the efforts to achieve sustainable development. The issues, as highlighted in the overview report (E/CN.17/1994/2), are complex. The short-term and the longer-term impacts are often disparate. Moreover, the main instruments of economic policy in most countries are directed towards objectives other than sustainability. The use of economic instruments or regulatory measures like labelling standards for promoting resource efficiency in consumption, waste minimization and shifts in consumption patterns may be held back by a perceived impact on competitiveness. There is considerable scope for the Commission to be catalytic, innovative and in a position to promote coordinated national action and energize State and non-State actors in addressing this major source of environmental stress. More specifically, the high-level meeting may wish to consider the following:

A coordinated programme of national and regional studies of trends and damage from patterns of consumption and production, notably of energy use, transport and waste production, and of the use of renewable and non-renewable natural resources, to assess their sustainability and their repercussions on other countries;

Based on these studies, the setting of priorities to address the most damaging effects of unsustainable consumption patterns;

Workshops and other forms of information-exchange on the relative effectiveness of a spectrum of instruments for changing unsustainable consumption patterns;

The promotion of the voluntary use of International Organization for Standardization (ISO) quality control and production standards, the use of green auditing and transparent and differentiated green labelling;

A commitment to using pricing policy and liability rules to internalize the costs of risk and damage to the environment, and reporting on action taken to the Commission on Sustainable Development.

Trade and sustainable development

6. On the issue and sustainable development, Agenda 21, the Uruguay Round of multilateral trade negotiations, the Group on Environmental Measures and International Trade of the General Agreement on Tariffs and Trade (GATT), as well as the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Environment Programme (UNEP), have looked closely at the various dimensions. Agenda 21 has outlined clear principles. GATT has looked at the subject from the point of GATT principles and provisions. The critical dimension, however, relates to the question of a developmental rather than a regulatory agenda. The high-level meeting may wish to:

> Focus on the processes required for promoting sustainability through trade, rather than the more limited focus on the compatibility of national environmental and trade legislation with the principles and provisions of GATT;
>
> Agree to review annually developments in the area of trade and sustainable development, with special reference to the work programmes of GATT, UNCTAD and UNEP;
>
> Recommend greater assistance for diversifying the economies of primary commodity exporters, especially for those adversely affected by GATT.

7. The countries of Africa have been particularly hard-hit because of their dependence on the export of a few commodities. Discussions are ongoing, in the context of the United Nations New Agenda for the Development of Africa in the 1990s (General Assembly resolution 46/151, annex, sect. II), for the establishment of a diversification facility for African commodities. When established, the facility is expected to finance the preparatory plans of diversification projects/programmes to be funded by international financial institutions and bilateral donors. It is proposed that the facility be established in the African Development Bank with seed resources, at the initial stage, amounting to US$ 50-70 million for three to four years.

> The high-level meeting may wish to provide the political support for the establishment of the facility.

II. SUSTAINABLE DEVELOPMENT INDICATORS

8. While there has been a flurry of intergovernmental and non-governmental activity, it is difficult to pass definitive judgement on whether the world is truly moving towards an era of sustainable development, ushered in by the implementation of the commitments made at UNCED. Scientific uncertainties, a lack of statistical information, other gaps in data and several methodological problems have militated against inter-temporal comparisons. As the Commission

moves through its multi-year programme of work towards a comprehensive review of all the chapters of Agenda 21, such data will be indispensable for the Commission's monitoring and review function. The issue of sustainable development indicators for inter-temporal comparisons will continue to recur. It is important for the Commission, which is charged with the task of ensuring the effective follow-up of UNCED, to provide impetus to the process of establishing reliable indicators of sustainability. Moreover, the concept of sustainable consumption itself needs to be given greater precision. More specifically, the high-level meeting could recommend that action proceed along three lines:

Methodological studies aimed at further refining the concept of sustainable development and giving it some quantitative precision to be carried out by the secretariat of the Commission in cooperation with other parts of the United Nations system, and the secretariats of the conventions where similar work is in progress;

Securing an agreement at the third session of the Commission, in 1995, on a set of indicators to be used for national reporting;

Requesting the United Nations Statistical Commission at its twenty-eighth session, in 1995, to take a decision on the establishment of sustainable development indicators compatible with the System of National Accounts satellite system for integrated environmental and economic accounting.

III. FINANCE AND TECHNOLOGY

Financial resources

9. The recent finalization of the restructuring and replenishment of the Global Environment Facility (GEF) in general, as well as the promise of an overall increase in trade as a result of the conclusion of the Uruguay Round, offers positive signals for the generalized objective of achieving sustainable development. However, these developments will have a somewhat limited direct impact on the funding of the range of programme areas and activities enshrined in Agenda 21. The inadequacy of present levels of funding for Agenda 21 activities is all too evident. The high-level meeting may wish to continue the discussions on how resources are to be best mobilized for the implementation of Agenda 21. More specifically, the high-level meeting may wish to consider the following:

Recommendations for debt-reduction as an important element for the financing of national plans and programmes for the implementation of Agenda 21;

A better mix of regulatory and economic instruments, with more emphasis on the latter, as an indirect complementary mechanism for financing Agenda 21;

Extensive use of eco-taxes and user fees, with adequate safeguards to protect the poor and disadvantaged;

Specific studies to examine the feasibility, legal modalities and administrative arrangements of international mechanisms for financing sustainable development (international emission charges, tradeable permits on greenhouse gases, air travel taxes, fees on international travel).

10. The instrument for the establishment of the restructured GEF refers to the reporting responsibilities and the information linkage between the Commission and GEF.

The high-level meeting may wish to consider how the information provided by the GEF Council and its consideration by the Commission can best further the relationship between the Commission and GEF.

11. While attention has been focused on the international funding of programmes and activities, as well as the discussions on GEF, one possibility to be considered is the establishment of national sustainable development funds. In a sense, such funds would be national counterparts to GEF. The local mobilization of resources for these funds, as well as the possibility of matching international contributions in the pursuit of activities mandated under Agenda 21, could provide a strong impetus to the fulfilment of objectives outlined in its various chapters. The allocations in the national funds would reflect national plans, priorities and objectives.

The high-level meeting may wish to consider the need for national sustainable development funds and the support that can be provided for this purpose by the international community.

12. The Inter-Agency Committee on Sustainable Development and the Administrative Committee on Coordination have given consideration to enhancing the collaborative efforts of the United Nations system, in particular by giving concrete shape to collaborative programming of United Nations activities. Under the present arrangements, given the independent resource mobilization and accountability of the respective governing bodies, it is difficult to organize

an effective coalition of resources for joint activities. Modalities for resource mobilization to finance joint activities need to be given systematic consideration.

> The possibility of a specific pledging process for the financing of joint activities by United Nations and other organizations needs to be considered by the high-level meeting.

Technology transfer

13. At the heart of chapter 34 of Agenda 21 is the agreement to promote, facilitate and finance, the access to and the transfer of environmentally sound technologies and corresponding know-how on mutually agreed favourable terms, where a balance is drawn between the need for concessional and preferential terms and the need to ensure sufficient incentives for the development and dissemination of these technologies.

14. Commitments regarding the transfer of environmentally sound technology, technology cooperation and capacity-building are contained not only in chapter 34 of Agenda 21, but also in other chapters and in the international agreements and conventions on the environment and sustainable development. A complete view of technology transfer and cooperation must therefore take these various commitments into account, and this would be clearly linked to the general question of financing the various commitments. In a sense, therefore, technology cooperation and financing issues are closely entwined.

15. The Inter-sessional Ad Hoc Open-ended Working Group on Technology Transfer and Cooperation, which based its work on the results of the Preparatory Meeting on Technology Transfer, Cooperation and Local Capacities, held at Cartagena, Colombia, in November 1993, sponsored by the Governments of Colombia and the United States of America, the High-level Advisory Board and the Workshop on the Transfer and Development of Environmentally Sound Technologies, held at Oslo in October 1993, sponsored by UNCTAD and the Government of Norway, have made significant and important recommendations on a range of complex issues.

16. The inter-sessional initiatives highlighted the complex, definitional and conceptual problems in the concept of environmentally sound technology cooperation and transfer. The results of these meetings strongly suggest the need for greater involvement of the business community, particularly transnational corporations and other non-governmental entities. The High-level Advisory Board has indicated the need for an enabling environment that facilitates the transfer and development of environmentally sound technology. In essence, it recommends the creation of conditions in which business can flourish, with the right mix of regulatory and economic instruments to encourage safer, less polluting and more efficient production processes (see E/CN.17/1994/13, chap. III).

17. Specifically the high-level meeting may wish to consider the need for:

Promoting actions and programmes that support the efforts of developing countries that face serious constraints in their efforts to promote or engage in technology transfer and cooperation due to lack of adequate financial resources and limited human and institutional capacities;

Strengthening the capacities of developing countries to assess, develop, apply and manage environmentally sound technologies tailored to the countries' own needs and priorities and to focus efforts on capacity-building and institutional development;

Encouraging mobilization of private sector investment in technology cooperation, transfer and capacity-building, including through various forms of technology partnerships;

Urging private companies to report through their respective industry associations on efforts being made and results achieved in the transfer of environmentally sound technology through foreign direct investment;

Encouraging Governments and international organizations to fully examine the appropriate mechanisms and concrete operational modalities needed to promote and facilitate access to information on environmentally sound technologies, both privately and publicly owned and in the public domain.

IV. ROLE OF MAJOR GROUPS

18. Agenda 21 makes it clear that one of the fundamental prerequisites for the achievement of sustainable development is through broad public participation in decision-making and through new forms of participation. Major groups, such as women, the private sector, indigenous peoples, and others represented through a wide array of non-governmental organizations, are critical to ensuring broad public participation in sustainable development.

19. There are two main problems in meeting these prerequisites: first, a lack of clear participation criteria given the highly heterogeneous and changing character of the major group community; and second, institutional limitations, primarily on the part of intergovernmental organizations, on the ability to accommodate more active major group participation.

20. There is a clear need to improve the quantity and quality of information relevant to the role and contribution of major groups. The high-level meeting may wish to request that major groups, non-governmental organizations, Governments and international organizations provide information on the extent of major group involvement, including such information as:

Involvement of major group organizations in sustainable development activities at the national, regional and international levels, including participation in project design, implementation and evaluation;

New and innovative ways of increasing and enhancing the quality and quantity of consultations with major group organizations;

Relevant indicators of major group participation, such as financial and other resource allocations, and the measure of their success in terms of institutional and/or technical assistance provided;

Identification of obstacles to major group participation and suggestions for ways of overcoming them in the future.

V. THE COMMISSION'S WORK PROCESSES

21. The breadth of issues, sectoral and cross-sectoral, covered in the sessions of the Commission, the detailed information made available by Governments, non-governmental organizations and the Secretariat have brought to the forefront three important issues requiring high-level attention:

The need to consider a system of follow-up and review of the decisions taken by the Commission, particularly for sectoral issues. Without a follow-up mechanism, and with the multi-year thematic programme of work, it would become difficult to substantively return to many of the issues covered in an early part of the cycle of review. The Commission could also recommend the follow-up in other appropriate intergovernmental forums;

Present relations with the major groups need to be strengthened and made more functional by strengthening the interface with intergovernmental decision-making;

The overall demands being made on Member States for the provision of national information and national reports are great. These numerous reporting responsibilities have led to a situation in which Member States are finding it difficult to provide the information requested in a simplified format and in a timely fashion. The high-level meeting may wish to make recommendations to the Economic and Social Council for simplifying or streamlining requests for national information.

VI. PREPARATIONS FOR THE THIRD SESSION OF THE COMMISSION

22. A variety of formal and informal intergovernmental processes are already under way with regard to the issues to be considered by the Commission at its third session, in 1995.

23. Of the sectoral issues to be considered, the review of chapter 11 of Agenda 21 (Combating deforestation) is eliciting great interest. The objectives for the protection, sustainable management and conservation of forests, inter alia, include the need to facilitate and support the effective implementation of the Non-legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests. 2/ Several governmental and non-governmental initiatives are under way to encourage well thought out preparations for the review of sectoral clusters in 1995. The high-level meeting may wish to consider how the various initiatives could be utilized to facilitate the Commission's work.

24. In June 1994, the finalization of the international convention to combat desertification in those countries experiencing serious drought and/or desertification, particularly in Africa, will be a landmark achievement in the progress of Agenda 21 commitments. The high-level meeting needs to consider the institutional modalities and the linkages of the convention with the further review of Agenda 21. In particular, chapter 12 of Agenda 21 (Managing fragile ecosystems: combating desertification and drought), will be reviewed in 1995 and the preparatory process for the review should have strong linkages with the institutional recommendations of the Intergovernmental Negotiating Committee for the elaboration of the convention.

25. Under the critical dimensions of sustainable development, a special focus will be given in 1995 to chapter 5 of Agenda 21 (Demographic dynamics and sustainability). The review will be conducted in the wake of the International Conference on Population and Development, to be held in September 1994. Chapter 5 recognizes that the Conference will be the appropriate forum for dealing with population and development issues. It is therefore important that the plan of action to be adopted by the Conference and the review of chapter 5 be harmonized to prevent an unnecessary duplicative process in the review of commitments in the area of demographic dynamics and sustainability. The high-level meeting may consider making recommendations in this regard.

26. Similarly, the elimination of poverty is one of the core issues to be discussed at the World Summit for Social Development. Chapter 3 of Agenda 21 (Combating poverty) has highlighted bold objectives and activities on combating poverty. It is anticipated that the plan of action emanating from the Summit will also contain action-oriented recommendations on the core issue of poverty eradication. The high-level meeting may wish to provide direction to the process of harmonizing the goals, objectives and activities of the preparatory process for the Summit and chapter 3 of Agenda 21.

27. The Commission's experience during the year in review has been that the two inter-sessional ad hoc open-ended working groups have facilitated its work. In making recommendations on the future work of the Commission, the high-level meeting may wish to take stock of the progress made on the issues covered by working groups, the needs with regard to emerging policy issues and other relevant considerations before deciding on the inter-sessional working arrangements.

Notes

1/ Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992, vol. I, Resolutions Adopted by the Conference (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex II.

2/ Ibid., annex III.

UNITED
NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/CN.17/1994/9
29 April 1994

ORIGINAL: ENGLISH

COMMISSION ON SUSTAINABLE DEVELOPMENT
Second session
16-27 May 1994
Item 3 of the provisional agenda*

GENERAL DISCUSSION ON PROGRESS IN THE IMPLEMENTATION OF AGENDA 21, FOCUSING ON THE CROSS-SECTORAL COMPONENTS OF AGENDA 21 AND THE CRITICAL ELEMENTS OF SUSTAINABILITY

National information

Report of the Secretary-General

1. At the first session of the Commission on Sustainable Development, Governments were encouraged to provide the Commission at its second session with information on activities they were undertaking to implement Agenda 21.

2. Based on the guidelines provided by the Commission and following Agenda 21 as closely as possible, the Secretary-General sent a letter to all Governments in August 1993 proposing a format for presenting the information and seeking voluntary responses by 30 November 1993.

3. As at 31 March 1994, 26 replies had been received. Ten were from developing countries, three from countries with economies in transition, 11 from industrialized countries and two from regional organizations. Included in these figures are some reports which not only contain the information requested for the second session of the Commission, but go beyond that by presenting national action plans for Agenda 21. The replies vary in length and detail, the most elaborate being in excess of 150 pages. As in the case of the United Nations Conference on Environment and Development (UNCED), the time needed for preparing reports was significantly underestimated and, for many developing countries in particular, the lack of national capacity has not made it easier to provide information.

---

* E/CN.17/1994/1.

A. Method of analysis

4. Agenda 21 served as the framework for the present analysis. To facilitate the analysis, a basic database programme was developed to make it possible to sort and review material country by country on both a sectoral and cross-sectoral basis. Country replies have been studied in detail and the information has been entered in the database. Some countries provided replies which easily fit the structure of the database. However, other reports required analysis, cross-referencing and retyping. At this juncture, the database is only an internal tool for assisting the Secretariat in preparing the necessary reports for the second session of the Commission. The Secretariat will adapt the database as appropriate to meet future reporting requirements.

5. A sample of the database structure in matrix form, showing one chapter of Agenda 21 with its programme areas on the vertical axis and the information requested under the guidelines on the horizontal axis, is contained in annex I to the present report. In analysing the national information, the Secretariat has looked for relevant information for each and every box in the matrix. The information extracted from the country reports on sectoral and cross-sectoral issues has been included in the relevant thematic documents before the Commission; the present report only summarizes the main findings from the national information provided, as well as information on the national level mechanisms and arrangements for addressing the follow-up to Agenda 21.

B. Summary of findings

6. Although the reports received are not numerous enough to permit the Secretariat to draw any definite conclusions, they nevertheless provide some useful information for the future. In most of the countries from which the Secretariat has received information, action is being taken to follow up on the decisions of UNCED. Many countries have also reported on actions taken regarding international conventions.

7. Some reports stated clearly that it was still too early to be able to measure any significant progress since UNCED and that the format used by the Secretariat was too complex.

8. All developing country reports reflect or stress the lack of human, financial and/or technological resources. The responses concentrate on steps taken in conjunction with preparations for UNCED and the immediate follow-up to it, consisting of the formation or strengthening of consultative groups and the identification of focal points as necessary first steps in the process. Initial meetings of consultative groups, introduction of new legislation, strategies and/or draft action programmes are often mentioned. Some developing country reports list programmes and projects, indicating funding estimates and technology needs being directed to international financial and development institutions. Whether these activities are new initiatives taken after UNCED or whether they have been revised is not always clear.

9. The three countries in transition seem to have fewer constraints in the human resources sector but lack the sound technology required to tackle

identified, often serious, environmental problems and also lack the funding for such technology. As far as basic knowledge of the problems is concerned, however, these countries appear to have a relatively good understanding of the situation.

10. The developed countries have provided solid data and addressed the various issues raised in Agenda 21. But they have not always presented the data in a format that matches Agenda 21, since changing their existing statistical and reporting systems to adapt to the Agenda 21 format would involve financial costs and, in some cases, new legislation.

11. Brief country summaries, based on the national information are provided in a separate informal paper.

National level coordination mechanisms

12. The main national level coordination mechanisms and actions described in the country and regional information provided to the Secretariat are covered in annex II to the present report. The table shows that most of the actions are related to a review or strengthening of existing mechanisms or the establishment of new national coordination mechanisms for sustainable development. Action has started, frequently with the involvement of non-governmental organizations, in the countries and regional organizations that have reported, and coordination mechanisms are solidifying.

Future reporting to the Commission

13. Serious work has gone into the preparation of the replies. They provide data to those who follow specific sectoral or cross-sectoral topics. These accounts are valuable at the national and perhaps the regional level and for sectoral specialists, but less so for countries geographically and economically far apart.

14. Adhering to the guidelines established by the Commission on Sustainable Development at its first session, the Secretariat will simplify the 1995 exercise by endeavouring to narrow the focus of the programme areas so that more concise information can be provided.

COUNTRY:

Annex I

CHAPTER 6. PROTECTING AND PROMOTING HUMAN HEALTH

OBJECTIVES: MAIN PROGRAMME AREAS	Progress achieved to date in the implementation of the objectives of this chapter of Agenda 21	The main activities being undertaken or planned in order to achieve objectives	The experience gained, particularly experience from which others may benefit	Specific problems and constraints encountered by Governments at all levels, including local Agenda 21 activities and activities related to major groups	Assessments of developments in capacity-building	Assessments of the availability of domestic human resources	Assessments of the needs and priorities for external human resources assistance	Assessments of the availability of domestic technological resources	Assessments of the needs and priorities for external technological resources assistance	Assessments of the availability of domestic financial resources	Assessments of the needs and priorities for external financial resources assistance	Assessments of specific expectations from international organizations, financial institutions and funding mechanisms
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
GENERAL												
A. MEETING PRIMARY HEALTH CARE NEEDS, PARTICULARLY IN RURAL AREAS.												
B. CONTROL OF COMMUNICABLE DISEASES.												
C. PROTECTING VULNERABLE GROUPS.												
D. MEETING THE URBAN HEALTH CHALLENGE.												
E. REDUCING HEALTH RISKS FROM ENVIRONMENTAL POLLUTION AND HAZARDS.												

/...

Annex II

27 April 1994

NATIONAL LEVEL COORDINATION OF AGENDA 21 ACTIONS

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
ANTIGUA AND BARBUDA	• Ministry of Economic Development			
AUSTRALIA	• Environmental Strategies Section, Environmental Planning Division, Department of the Environment Sport & Territories	• Other involved Ministries: - Foreign Affairs & Trade; - Primary Industries & Energy; - Non-governmental organizations.	• Consultation across all three strands of government and non-governmental organizations network.	
AUSTRIA	• International Contact: Ministry of Foreign Affairs.			
BAHRAIN, STATE OF	• Environmental Protection Committee (EPC) and its Secretariat	• Members: - Ministries of Health; Commerce & Agriculture; Finance & National Economy; Development & Industry; Information; Education; Water Resources Dept.; Central Municipal Council; Bahrain Centre for Studies and Research (BCSR). • Other listed as involved are: Major companies Bahrain University Arabian Gulf University Professional Societies Women Societies & Clubs		
BELGIUM*	• Le Conseil National pour le Dévéloppement Durable (National Council for SD), established by the Council of Ministers 30.4.93 and operational since 13.10.93. • Closely linked with the Ministries for Development Cooperation and Environment.	• H.R.H. Prince Philippe, Chairs the Council. • Regional representatives. • Optimum representation of development and environment NGOs, consumers organizations, employees and trade unions, political and public sectors, universities and researchers.	• Consultative; • Commissions studies; • Advisory body for international agreements and other aspects of SD; • Organizes public hearings/consultations; • Presents annual report to the relevant ministries and to the legislature.	• New amended articles of the Constitution and Special Law of 5.5.93 and 16.7.93 on international relations as they affect regional and federal responsibilities on water, waste, forests, etc.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

NB: This table is not all inclusive. It contains only key mechanisms and activities. Translations where used are unofficial.

/...

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
BHUTAN	• National Environment Commission	Ministries and agencies involved: • Ministry of Agriculture; • Department of Forest; • Bhutan Trust Fund; • Nature Conservation Division; • Royal Society for Protection of Nature; • National Women Association of Bhutan.		
BOLIVIA*✓	• Ministry for Sustainable Development and Environment (Decree #23660, 12 Oct.93) • The Secretariat for Planning, along with the Secretariat for Natural Resources and Environment, are the entities of the Ministry for SD & E which coordinate the follow-up of Agenda 21.	• Consolidation of activities through specialized under-secretariats of Development Strategies, Land Management, Natural Resources, etc. • The different Ministries: Human Development, Economic Development, SD and E will work together in the implementation of UNCED recommendations.	• The Ministry is in the process of designing a Strategy for Sustainable Development. • The different themes of Agenda 21 are interdisciplinary and require intersectoral coordination.	• Establishment of a new governmental structure for SD and E. • In the process of designing a Strategy for Sustainable Development.
CANADA*	• Canadian Council of Ministers of the Environment (CCME). • Round Tables on Environment and the Economy • Dept. of Foreign Affairs and Intl. Trade & Dept. of Environment	• Concerned citizens and agencies.	A forum used to develop common post-UNCED plans.	• The Green Plan, the Government's policy framework and action plan for SD has since 1990 funded many activities and now supports Canada's commitment to Agenda 21.
CHINA, PEOPLE'S REPUBLIC OF	• State Council (Chinese Cabinet) • The State Planning Commission, and • The State Science and Technology Commission.	• 52 Ministries/Commissions under the State Council • Management Centre.	• To formulate "China's Agenda 21" and to ensure SD. • Focal point.	• Govt. organized the Ministries and Commissions (See column 2 to the left) •Draft Agenda 21 completed late 1993 • High-level round table to be held July 1994 • The new Management Centre (see column 2 to the left) acts as Secretariat.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
COLOMBIA*	• Ministry of Environment, 1993	• Government: Minister of Environment along with the President of the Republic.	• in charge of the national environmental policy, of renewable resources and, ensures the adoption of plans, programmes and projects to guarantee the fulfilment of the rights and tasks of the society in relation with the environment and national patrimony of the nation.	• The Development Plan entitled "Peaceful Revolution" (1990-1994) is the 1st development plan to include E aspects. • The Constitution (1991) links environment and social and economic development. Law 99 creates (1993): • the Ministry of Environment; • E management throughout the country.
COMMONWEALTH*	The biennial Commonwealth Heads of Government Meeting (CHGOM).	• Senior Officials meet in alternate years between CHGOMs. • The Ministerial-level Commonwealth Consultative Group on the E. • Other mechanisms include Ministerial, specialized workshops and seminars, etc.	• To give high-level attention to E & SD issues; • To widen international dialogue and cooperation on E & SD.	• The Ministerial-level group on E met "in the wings of" the 1993 CSD session and is supporting primarily small states, e.g. small islands with their conference, etc. • It plans to meet again in 1994 at the same occasion.
CUBA*✓	• The National Commission for the Protection of the Environment and the Rational Use of Natural Resources is attached to the Council of Ministers of the Republic. It has an Executive Secretariat with technical expertise.	• the Executive Secretariat is composed of the Heads of 23 organs of the Central Administration of the State; • Provinces and Municipal Commissions for the Protection of the E are presided by a member of the Government.	• Executes the National System for the Protection of the Environment and monitors its implementation by national sectoral agencies.	Environmental activities started before Rio. Following key relevant instruments: • The National System for the Protection of the Environment. • Law 33/81 "Protection of the Environment and Rational Use of Natural Resources" was adopted in the 1970's and subsequently amended. • In Dec.1992, the Parliament amended art.27 of the Constitution to integrate the environment and economic and social development stating: • the State protects the environment and the natural resources; • citizens must contribute to the protection of water, conservation of soils, flora and fauna; Also approved: • the National Programme for E and D, is Cuba's Agenda 21; • 14 provincial programmes; • national studies on biodiversity, climate change, etc.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
CZECH REPUBLIC*	• Ministry of Environment (1989); • the Focal Point for Coordination of follow-up activities of Agenda 21 is the Czech Environmental Institute.	• Supported by specialized organizations and coordinated by the Agency of the Environment. • Supporting Ministries include Ministry of Health and Ministry of Agriculture. • Charles University and at least 2 NGOs.		
ECUADOR*	• Environmental Advisory Commission, (Decree # 1107, 22 Sept.93)	The Environmental Advisory Commission is composed of: • the General Secretary for Planning or his/her delegate; • the Minister for Agriculture and or his/her delegate; the Ministers of Energy and Mining; National Defense; Foreign Affairs and/or their delegates; • Representatives of the production sectors for the Coastal Region and the Galapagos; the High-Lands and the Orient Region. • A representative of the Environment NGOs.	The Commission ensures/promotes: • national strategies on E to be approved by the President of the Republic; • participation of different sectors and institutions to fulfil the Ministerial and Interministerial Agreements; • national guidelines on E including administrative and legal aspects; • participation of the private sector and of the community on E issues; • coordination and evaluation of the implementation of the programmes undertaken by UNAMA; etc.	• National Plan for Development entitled "Agenda for Development - the Government Action Plan 1993-1996", which formulates policies to deal with "Deterioration of E and Mismanagement of Natural Resources".
ESTONIA*	• Ministry of Environment; • Established by MOE; - the National Council of Sustainable Development; - the Joint Council of Nature Societies on Sustainable Development.	• Ministry reorganized to take over responsibilities for national branches of some former all-Soviet Union organizations: • the Institute of Sea Research was established; • Besides the Forest Department and the Fisheries Department, the Land Department has now been included. • Committees for the Conventions on Climate Change and Biological Diversity have been set up within the Ministry of E.		• The Ministry of E has prepared a draft law of SD (early 1994) covering: • Main principles of SD • The organization of the government to develop master plans for the most important branches of economy (e.g. energy, transport, agriculture); • Responsibilities of government and local authorities vis-à-vis physical planning in regions.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

/...

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
EUROPEAN COMMUNITY* (EUROPEAN UNION)	• The Council	• Qualified majority (instead of unanimity) has become the rule in many cases for the adoption by the Council, in co-operation with the European Parliament, of environmental measures.	• the central objective of Community policy-making is "sustainable growth respecting the environment"; reinforcing the constitutional basis for EC's E policy and related policies (eg public health) introducing fundamental changes in decision-making. • It focuses on 5 key economic sectors (industry, energy, transport, agriculture and tourism); and gives priority to 6 different fields of action. • It examines UNCED follow-up related issues.	• The Treaty on European Union, 1/11/93 • The Fifth Environmental Action Programme "Towards Sustainability", the main principles of which were endorsed by the Council in December 1992 is the EC's main vehicles for implementing the objectives of Agenda 21 and to follow-up UNCED • Progress achieved in integrating E protection requirements into EC's Structural Funds.
	• Joint Environment and Development Working Group of the Council of Ministers	Several joint meetings (eg of Environment and Energy, Environment and Development and Environment and Transport Ministers have been held.	• Goal is to provide EC and Member States with information at a European level, enabling measures to protect the E, to assess the results and ensure proper public information about E.	
	• European Environment Agency, (soon to be operational).	• the Commission and existing competent bodies in the Member States.		
	• a General Consultative Forum	• representatives of enterprise, consumers, unions and professional organizations, NGOs, and local and regional authorities;	• practical implementation and development of common approaches at practical level;	
	• an Implementation Network	• representatives concerned with exchange of information;	• develop mutual understanding and exchange of view on environment policy and measures.	
	• an Environmental Policy Review Group	• representatives at Director-General level.		

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
FINLAND*	• National Commission on Sustainable Development (Est. June 1993) 47 members and 41 alternates; • International Contact: ADG, Div. for Intl. E & Arctic Affairs, Min. Foreign Affairs.	• Chair: The Prime Minister • Executive Committee of 5 Ministers for Environment, Foreign Affairs, Development Cooperation, Finance and Transport & Communication; • Other Ministries, MPs, central, regional and local government representatives • Scientific community • Interest organizations • Voluntary organizations • Media • Education sector	• To promote and encourage discussion, information and public awareness of SD. • Implementation of SD in accordance with Rio decisions. • Advices on international co-operation to promote SD, in particular within UN and CSD.	• The objective of the Government is to promote the well being of the citizens through SD based on shared responsibility and equality within and between generations. The Government also aims at strengthening the participation in solving global problems. The Government presented these goals to the Parliament in its report "Charting Finland's Future Options" (Oct. 1993).

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
FRANCE*✓	• Comité Interministerial pour l'Environnement, CIEN (Interministerial Committee for Environment, March 1993)	• All Ministries.	• The Committee adopts programmes related to the integration of E in the State policies and examines the coherence of action of every Ministry with the E policy adopted by the Government.	• Several actions (as reflected in the left columns) to maintain the momentum of Rio. • Several meetings and fora arranged.
	• La Commission "Environment, qualité de vie, croissance (The Commission "Environment, Quality of Life and Growth" part of the XI Plan for 1994-1998)	• All Ministries, and • Representatives of enterprise, scientific community, unions and professional organizations, and NGOs.	• The Commission will examine the conditions under which E policies and amelioration of the quality of life could have an "invigorating effect on the economic competitiveness of the country	
	• Conseil pour les Droits des Générations Futures (Council for the Rights of Future Generations, June 1993)	• Estab. by the President of the Republic. It is chaired by Commander Cousteau and 9 high-level officials from different disciplines. Members of Government, Presidents of parliamentary assemblies, recognized associations responsible for the protection of the nature can refer the matter to the Council.	• The Council deals with questions relating to the integration of E in public policies and their coherence with the objectives agreed in Rio.	
	• La Commission française du Développement Durable (The Commission for Sustainable Development), [April 1994].	• Established by the Prime Minister. It is composed of 17 members chosen from different sectors: political, economic, scientific, and NGOs.	• To promote mobilization and encourage discussion, information and public awareness of SD. • Defines the orientations for national SD and presents the government with proposals in the follow-up to UNCED. To promote SD in public policies and to raise SD awareness among social and economic actors.	

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
GEORGIA, REPUBLIC OF	• Working Group on Sustainable Development • Commission on Environment Protection and Natural Resources, Parliament of Georgia	• Chairman, Commission on Environment Protection and Natural Resources. • Other Ministries and Agencies involved: - Ministries of Health Care; Social Security, Labour and Employment; Environment Protection; Trade; Finances; Economy; Foreign Affairs; - Committees of Science & Technology; Foreign Economic Relations; - Independent Experts. • Also invited academic, private and NGO organizations.	The Working Group on Sustainable Development is authorized by the Government for preparing a reply and proposing suggestions on Sustainable Development Concept of Georgia.	
HUNGARY*	Commission on Sustainable Development (Est. May 1993)	• Chair: Minister of Environment	• Interdepartmental coordination of UNCED follow-up. • Evaluates all significant sectoral development plans. • Harmonizes conflicting projections and gives priority to environmental protection. • Plans to address sectoral and cross-sectoral fields in accordance with UNCSD. • Presently evaluating the possible creation of a national framework mechanism of cooperation between Government, Parliament, research institutions, NGOs and the media.	• Government resolution of 2 April 1993 covering: - National program - International cooperation - Principal priorities of SD in R&D programs and education. • Law of env. impact studies. • Gasoline tax use to finance a Special Environmental Fund.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

/...

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
ICELAND*	• The Government • Inter-ministerial contact group on env. affairs (1992) • Inter-ministerial co-ordination group for the participation in the CSD (1993) (Ministries for Environment, Foreign Affairs, Fisheries) • International contact: - Head of International Affairs Div., Min. for the Environment.	• A Co-ordination Committee, chaired by the Secretary-General of the Ministry for the Environment, co-ordinates the work of 7 task forces with broad-based participation of: - Legislative assembly - Government administration - Local authorities - Interest groups - NGOs • The task forces cover: - Fisheries; Agriculture; Energy harnessing and industry; Transport and Tourism; Regional Development; Waste Management; Environmental Education.	• There is a long tradition for consulting relevant interests and NGOs. • The necessary institutional mechanisms for SD are available. • The primary task is to improve working and coordination of existing group. • One aim is to establish a National Environmental Assembly to exchange views of Government, scholars, interest groups, NGOs and political organizations. • Creation of similar assemblies at local levels	• The Government adopted the first national E strategy "Towards Sustainable Development" (Feb. 1993). • Act on Env. Impact Assessment (1993). • Act on the Obligation of the Govt. to provide the Public with info. on Env. Affairs (1993). • Revision of legislation covering pollution control, nature conservation and physical planning. • Preparation of new Act highlighting key principles of the Rio Declaration on E & D.
IRELAND	• Coordination by Department of the Environment and Department of Foreign Affairs	• Other departments, bodies and NGOs		
ITALY	• Director General for Environmental Impact Assessment in the Ministry of Environment.			
JAPAN*	• No specific information in National Plan on national coordination mechanism. The report refers to the Government.		• The Comprehensive National Development Plan for utilizing, developing and conserving national land is currently being reviewed.	Environmental issues rest on two laws: • the Basic Law for Environmental Pollution Control (1967), and; • the Nature Conservation Law (1972). • the Basic Environment Law of November 1993 promotes wide-ranging measures regarding E conservation in a comprehensive well-planned manner and promotes international activities.

Commonly used abbreviations:

* = indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
KOREA, REPUBLIC OF	• Special Inter-Ministerial Committee for Global Environmental Problems; • Ministry of Environment.	• Other Ministries and Agencies involved: - Economic Planning Board; - Ministries of Science & Technology; Foreign Affairs; Home Affairs; Finance Affairs; Culture and Sports; Agriculture, Forestry & Fisheries; [illegible]stry & Energy; Construction; Health & Social Affairs; Labour; Political Affairs (II). • Other bodies and institutions involved: - Korea Institute for International Economic Policy (KIEP); Environmental Technology Research Institute (KETRI); Institute of Science & Technology (KIST); Institute for International Economic Trade (KIET); Development Institute (KDI); Energy Economics Institute (KEEI). • Several NGOs.		
MALAWI	• Department of Research and Environmental Affairs	• Other Ministries and Agencies involved: - Treasury; - Ministries of Justice; Trade & Industry; - Departments of Economic Planning & Development; Forestry; Meteorology; National Parks & Wildlife; - Council for NGOs.		
MALAYSIA*	• National Development Council expanded in August 92 to include Ministers responsible for environment and conservation • MEXCOE consisting of Federal and State ministers responsible for Env. affairs meets regularly.	• Chair: Prime Minister • Committees coordinate national activities related to international conventions. • The Government "promotes the involvement and consultation of major groups including NGOs".	• Oversee Agenda 21 implementation • Committees oversee work on conventions on: - Biodiversity; Climate change; Montreal Protocol; Basel Convention; CITES; ITTA; Safety of life at sea conventions.	• The Sixth Malaysia Plan (1991-95) and the Second Outline Perspective Plan (OPP2) (1991-2000) as well as the New National Development Policy and Sectoral policies provide the basis for national action. Efforts are being undertaken to integrate existing policy objectives into a National Environmental Policy (NEP) to enhance E and foster SD. Emerging issues which may require new legislation have been examined by an Env. Law Review Committee.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
MYANMAR*	National Commission for Environmental Affairs (NCEA) is the focal point and coordinating agency.	The NCEA is assisted by: • Committee for Tree Planting • Committee for Monitoring • Committee for Efficient Use of Energy • Committee for Public Information	• Currently formulating a comprehensive national environmental policy and strategy for Myanmar. • Planning environmental GRID data base.	• New Forest law. • Nation-wide afforestation campaign. • Poverty alleviation programmes and development of border areas. • Existing environmental laws are being reviewed.
NETHERLANDS*	• The Government and a number of advisory bodies; • The Ministry for Development Cooperation. • The Ministry of Housing, Planning and Environment; International contact: - Director for Strategic Planning.	• The Socio-Economic Council (SER); • Platform on Sustainable Development (PSD) of about 50 organizations representing a variety of interests. • National Youth Council for Environment and Development (NJMO). • Advisory Council of Government Policy (WRR).	• advises Government on environmental space and resources; • both Ministries consult with remaining Ministries and NGOs. • encourages public debate; • involved with evaluation reports. • promotes sustainable development through youth activities.	• The first National Environment Policy Plan (NEPP), 1989-1990; • Government has translated Agenda 21 for wide distribution; • A study of Dutch international policy and its compatibility with UNCED discussed in Parliament, 1993; • NEPP 2 will provide a picture of economic and financial consequences of environmental policy and impact on environmental space; • Green Structure Plan; • Transport Structure Plan; • Multi-Year Programme on Infrastructure and Transport; • Third Policy document on Water Management; • Nature Policy Plan; • Follow-up document on Energy Savings; etc.
NEW ZEALAND	• Interdepartmental Committee.	• List of Ministries and Departments involved: - Ministries of Foreign Affairs & Trade; for the Environment; Forestry; Agriculture & Fisheries; Commerce; Research, Science & Technology; Maori Development; - Departments of Conservation; Health; • Also involved Crown Research Institutes and informal consultations with NGOs.		

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
NORWAY*	Two co-ordinating bodies for the implementation of Agenda 21: • Committee for Sustainable Development	• Chaired by the Prime Minister. Members: Prime Minister and the Ministers of: Environment, Transport and Communication, Industry and Energy, the N. Society for Conservation of Nature, N. Confederation of Trade Unions, Confederation of N. Business and Industry and N. Association of Local Authorities.		
	• Committee for International Environmental Questions	Chaired by the Minister of Environment: Members: Prime Minister's Office, and the Ministries of: Foreign Affairs, Environment, Petroleum and Energy, Transport and Communications, Finance, Fisheries, Agriculture, and the same organizations as above as well as the Research Council of Norway and N. Forum for Environment and Development.	This Committee is supervising the follow-up of Agenda 21, with focus on the national implementation of this Agenda.	
	• Ministry of Environment, 1972		• the main force behind Norway's environmental protection and nature conservation, use of natural resources and physical planning, etc.	• Norway's environmental legislation has been significantly strengthened since the establishment of the Ministry of Environment. Many of the Acts have been amended several times to keep abreast with changing environmental problems.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

/...

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
PAKISTAN*	• Cabinet level implementation committee for National Conservation Strategy (NCS). • The NCS Section of the Environment and Urban Affairs Division (EUAD) acts as Secretariat.	• Supporting technical institutions. • A new independent Sustainable Development Policy Institute (SDPI) was created to conduct technical and policy analysis. • Pakistan E Protection Agency (PEPA). • Local institutions; NGOs and other voluntary bodies. • Journalists' Resource Centre for the E (JRC) helps with communications strategy for mass awareness. • 5 other established research institutes.		• The national conservation strategy is a strategy for Sustainable Development arrived at through a process of partnership between many groups, organizations and individuals inside and outside Government.
SLOVAK REPUBLIC	• The National Committee for Sustainable Development was established. • For external liaison: Department of International Economic Cooperation, Ministry of Foreign Affairs.	• Ministries and Agencies involved: - Ministries of E; Agriculture; Education & Science; • Universities and Research Institutes; • NGOs.		

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

/...

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
SPAIN*✓	A National Commission chaired by the Ministry of Foreign Affairs and the Secretariat of E and Housing was in charge of the preparations for UNCED and continues its work. Interministerial coordinating functions handled by the same bodies. Other institutions are: • the Interministerial Commission of Intl. Coopn. (1986); • the Development Assistance Fund Administration; • the Interministerial Climate Commission (1992); • the Advisory Council for the E.	Different ministerial departments are responsible for environmental issues. • Ministry of Foreign Affairs including all Ministries dealing with international cooperation. • Ministry of Commerce and Tourism and related interested Ministries. • It is integrated by all Ministerial Departments dealing with climate matters. • Promotes participation of organizations representing social interests and high-level officials.	Secretariat of the State for E functions include: • design of National E Strategy for SD and rational use of natural resources; • sectoral coordination of E policy. • Elaborates the annual plan of international cooperation. • Sets criteria to grant credits to developing countries. • Elaborates the national climate plan. • Elaborates policies addressing SD.	• Establishment of a National Environmental Plan which includes four lines of action: - reduction of major factors of environmental degradation; - integration of environment in other state policies; - coordination on land management; - international cooperation and participation in the development of regional and global environmental policies.
SRI LANKA*	• A Central Environment Authority (1981); • Ministry for Environment (1990).	Other supporting institutional mechanisms: • Land-use Planning Unit in the Ministry of Lands (Coast Development Laws, Development Authority, Forestry Laws);	• The Ministry is trying to find a trade-off between E needs and concerns.	• The Government has passed EIA regulations for projects to conform to E standards; • Rules and Regulations for National Environmental Impact Assessment.
TRINIDAD & TOBAGO	Environment Division Ministry of Planning & Development			

Commonly used abbreviations:
* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
TUNISIA*	• Commission Nationale pour le Développement Durable (CNDD), by Decree No.93-206 of 11 October 1993. (National Commission for Sustainable Development) • Ministry for Environment and Land Management, created in 1993.	• **Government:** Prime Minister, 11 Ministers, representatives from chamber of deputies. • **Major Groups:** professional organizations, national union for women and some NGOs. • A technical committee, headed by the Minister for Environment and Land Management, assembles high-level officials responsible for E questions in each department and sectors. • CNDD Secretariat is headed by the Minister for E and Land Management through the Agency for Protection of the E.	• To elaborate & implement strategy & action plan for SD its objective being to balance economic & social dev. with a rational use of natural resources and people in the E; • to ensure the integration of E questions in various policies, strategies and plans dealing with sectoral development, etc. • to address such issues as rights of future generations, consumption processes, food security, natural resources management, energy, self-reliance, desertification, etc. • Establishes/coordinates programmes implemented by central organs and ministries such as "l'Office National de l'Assainissement" (freshwater) and the ministries: covering **agriculture, national economy, human settlements**, etc.	
UGANDA*	National Environment Action Plan. Ministry of Water, Energy, Minerals and Environment Protection.	• There is no national umbrella institution to coordinate Agenda 21 implementation. • The following sectoral Ministries are involved: - Land, Housing and Urban Development; Natural Resources; Trade and Industry; Health; Finance and Economic Planning; Information; Women in Development; Local Government; Education; Agriculture, etc.		Policies passed since June 1992 include: • National Shelter Strategy (1992); • Decentralization of Service and Planning; •The Investment Code; • National Strategy for Children (1993); and • White Paper on Education. Some 6 other policies are under preparation and some pre-UNCED policies have been assessed and found to be in line with Agenda 21.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

COUNTRY	Key National Coordination Mechanism(s) for Agenda 21	Membership/Composition/Modus Operandi	Mandate/Role	Important National Post-Rio Actions
UNITED KINGDOM*	Under the UK Strategy: Government agencies: • High-level Advisory Panel • UK Round Table • Citizens' Env. Initiative • Department of the Environment • Foreign and Commonwealth Office • Overseas Development Administration • Department of Trade and Industry • Department of Health	• Panel of experts advising the Government on strategic issues • Sectoral representatives and Groups to discuss SD with Ministers • A National Committee "to take the message ... to citizens".	See left column See left column See left column	The UK post Rio Strategy looks 20 years ahead at current trends and emerging problems.
USA*	• President's Council on Sustainable Development (PCSD) (Est. June 1993 by Executive Order) • Government Agencies	• The 25 member council is a partnership of high-ranking representatives from industry, government, environmental, labour and civil rights organizations. Co-chairs: The Vice President and Corporate Director, The Dow Chemical Company and the President, World Resources Institute. The Council has an Executive Director.	• Serves as Advisory Council to the President • PCSD examines the critical issues in SD and recommends new national policies • Six main task forces address the central issues identified (See right column)	• PCSD has identified four central issues for SD in the U.S. • Sustainable communities •Energy and Transportation •Natural Resources Management Protection •Eco-Efficiency • 3 cross-cutting issues • Population and consumption • Education • Tools to stimulate SD.

Commonly used abbreviations:

* = Indicates that CSD has received national information on ongoing activities;
E = Environment(al);
SD = Sustainable Development;
✓ = Seen by National Authority.

UNITED
NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/CN.17/1994/10
19 April 1994

ORIGINAL: ENGLISH

COMMISSION ON SUSTAINABLE DEVELOPMENT
Second session
16-27 May 1994
Item 4 of the provisional agenda*

FINANCIAL RESOURCES AND MECHANISMS

Report of the Inter-Sessional Ad Hoc Open-ended Working Group on Finance

CONTENTS

		Paragraphs	Page
INTRODUCTION		1 - 8	3
I.	GROWTH, TRADE AND TERMS OF TRADE	9 - 13	4
II.	INTERNATIONAL FINANCIAL RESOURCES	14 - 18	5
III.	NATIONAL FINANCIAL RESOURCES	19 - 24	6
IV.	INNOVATIVE FINANCIAL MECHANISMS	25 - 29	7
V.	MULTILATERAL CONSIDERATION OF POLICY REFORMS	30 - 34	7
VI.	FINANCING SECTORAL CLUSTERS	35 - 44	8
VII.	OTHER MATTERS	45	10
VIII.	AREAS FOR ACTION	46	10

* E/CN.17/1994/1.

CONTENTS (continued)

		Paragraphs	Page
IX.	ORGANIZATIONAL MATTERS	47 - 54	12
	A. Opening and duration of the session	47 - 50	12
	B. Attendance	51	12
	C. Election of officers	52	12
	D. Agenda and organization of work	53	12
	E. Documentation	54	12

Annexes

I.	ATTENDANCE	13
II.	AGENDA	17

INTRODUCTION

1. At its first session, the Commission on Sustainable Development expressed concern that the general response to the recommendations and commitments of the United Nations Conference on Environment and Development (UNCED) regarding funding fell significantly short of expectations and requirements (E/1993/25/Add.1, chap. I, para. 55). The Commission emphasized that the inadequacy of financial resources remained a major constraint for effective implementation of Agenda 21 and decided to establish an Inter-Sessional Ad Hoc Working Group on Finance, composed of Governments that would nominate experts to assist the Commission in its work. The mandate of the Working Group is set out in the Commission's report (E/1993/25/Add.1, chap. I, para. 61).

2. In response to its mandate, the Working Group has reviewed the financing of sustainable development in the context of Agenda 21, with particular emphasis on access to international finance, the mobilization of national financial resources, innovative financial mechanisms and the financing of the sectoral clusters under review, that is, health, human settlements, freshwater, toxic chemicals and hazardous wastes.

3. The discussion of the Working Group was based on the report of the Secretary-General (E/CN.17/ISWG.II/1994/2) and background papers, including the report of the Meeting on Financial Issues of Agenda 21, hosted by the Governments of Malaysia and Japan at Kuala Lumpur from 2 to 4 February 1994. The experts expressed their appreciation of the report of the Secretary-General and the background papers. They suggested that these papers be transmitted to relevant international meetings for consideration. They expressed the view that it would be useful if future reports provided greater disaggregated details on resource flows, particularly to and from developing countries, and if greater emphasis were placed in the reports and during the discussion on the exchange of individual country experiences.

4. The present report is not a negotiated text. The intention is to open up new avenues and develop new ideas for financing Agenda 21 in the spirit of global partnership for sustainable development launched at UNCED. The Working Group invites the Commission to consider the report at its second session, in May 1994. It is recommended that at future sessions of the Commission, an informal meeting with the participation of representatives of the private sector, including banks, and non-governmental organizations, the more active participation of the international financial institutions at a high level and the participation of business groups be organized, with a view to helping in the effective consideration of financial resources for sustainable development.

5. It was stressed that a review of the progress made in the financing of sustainable development needed to focus on the commitments of UNCED and on the adequacy of policies pursued in regard to mobilizing external and internal financial resources for the implementation of all parts of Agenda 21. In this context, there was strong support for the notion that the financing of Agenda 21 would be significantly facilitated by progress in changing consumption patterns and achieving sustainable lifestyles.

6. Agenda 21 represents an agreed political framework for the financing of sustainable development. Matters related to the implementation of the financial commitments contained in Agenda 21, including those related to the increase of official development assistance (ODA) flows, as well as to such issues as falling terms of trade, declining commodity prices, market access, debt reduction and relief, sound domestic policies and other measures that promote a supportive international and national economic environment are essential for the successful implementation of Agenda 21. Resolution of these issues must continue to be an urgent priority of international dialogue and decision-making processes that take place in the Commission and other relevant intergovernmental forums, as well as in the national context.

7. As stated above, the general response to the recommendations and commitments of UNCED regarding financing falls significantly short of expectations and requirements. Moreover, at the international level, there is no clear evidence as yet of the provision of adequate, predictable, new and additional financial resources, in particular to developing countries, for sustainable development. The goal of mobilizing financial resources for sustainable development makes it necessary to act on all possible fronts, including through innovative approaches.

8. Financing of sustainable development cannot be achieved only from official international sources. It is equally important to increase both public and private savings, in both developed and developing countries, and directing those savings towards investments that are environmentally sustainable. Moreover, sustained economic growth in all countries is essential for the financial viability of Agenda 21.

I. GROWTH, TRADE AND TERMS OF TRADE

9. Economic growth in developed and developing countries and in countries with economies in transition is highly important for trade and foreign-exchange earnings, particularly for developing countries. During 1994, global economic growth is expected gradually to become more firmly established, but the strength and timing of such growth, particularly in industrialized countries, remain uncertain.

10. Agenda 21 has identified a number of factors which reduce the ability of developing countries to mobilize, through international trade, the resources needed to finance investment for sustainable development. These include tariff and non-tariff barriers. Trade liberalization provides opportunities to address these problems in order to achieve sustainable development. One important aspect of trade liberalization, particularly for developing countries, is increased access to markets of countries members of the Organisation for Economic Cooperation and Development (OECD).

11. In this regard, the recently concluded Uruguay Round of multilateral trade negotiations is an important landmark. Although it will be some time before a conclusive assessment can be made of the outcome of the Round, in particular in areas of interest to developing countries, there is a basic consensus that

further liberalization will strengthen the expansion of world trade to the benefit of all countries.

12. Real commodity prices have been declining almost continuously since the early 1980s and continue to show weakness. It is to be expected that the decline in commodity prices will have its largest impact on countries with the least diversified production structure. Primary commodities still account for the bulk of exports in many developing countries, especially in Africa. Moreover, the countries of this latter group, which encompasses many of the lowest-income countries in the world, tend to have less flexible economic systems, making substitution away from commodity production more difficult or costly. It is an urgent priority for the international community to assist those countries in diversifying their economies.

13. Suggestions were made that further consideration could be given to the concept of international commodity-related environmental agreements.

II. INTERNATIONAL FINANCIAL RESOURCES

14. ODA will continue to play an important role in meeting investment requirements. A greater effort should be made to honour the commitments made at UNCED for sustained economic growth, combating poverty and protection of the environment. There is also a need to increase the efficient use of ODA.

15. Multilateral financial institutions, the United Nations system and other intergovernmental organizations, including regional and subregional organizations, should increase significantly their effective capacity to address sustainable development. Of the utmost importance is the need to accelerate the process of reorienting and realigning their programmes and policies towards sustainable development and the implementation of Agenda 21.

16. As regards the multilateral financial institutions, this would require not only adequate replenishment of their soft windows and other conventional facilities, but also the identification of new and innovative ways of mobilizing additional financial resources, accelerating their disbursements and strengthening their capacity to deliver technical cooperation programmes.

17. The overall favourable growth of foreign direct investment (FDI), particularly in developing countries, is encouraging and needs to be further promoted through appropriate policies. Measures should be undertaken also to attract an increasing amount of other private capital flows. Investment in environmental infrastructure through the use of build-operate-transfer arrangements and the use of environmental rating and other schemes in financial markets need to be encouraged.

18. Despite a number of positive developments in the area of debt and debt relief, the overall situation remains a cause for concern, particularly in the poorest countries. It would be desirable if creditor countries considered further cancellation of their claims on the poorest countries, particularly in Africa, through existing Paris Club arrangements (enhanced "Toronto Terms") and the application of greater debt forgiveness along the lines of the proposed

"Trinidad Terms". The situation of lower middle-income countries also needs to be addressed.

III. NATIONAL FINANCIAL RESOURCES

19. In the framework of national policies, it would be desirable to achieve a better mix between traditional regulation and the use of economic instruments, address the issues of subsidies and military spending and encourage private-sector investment in environmental infrastructure.

20. Regulations have been the standard approach to environmental protection in most countries. These regulations often entail high compliance and enforcement costs. Various countries are exploring the use of economic instruments, such as environmental taxes, effluent charges and tradeable permits. Policies that use economic incentives will be effective only to the extent that polluters and resource users respond to them. Responsiveness depends on a number of factors, including ownership, competition and the design of the instrument. Economic instruments can also be used to provide incentives for investment in cleaner technologies and processes. A move towards increased use of economic instruments could be regarded as an important indirect complementary mechanism for the financing of Agenda 21.

21. Conventional taxation systems apply direct and indirect taxes on work, income, savings, and value added, and usually leave untaxed (or even subsidized) resource depletion and pollution. Such a system can reduce incentives for work, savings, investment and conservation, while encouraging resource depletion and environmental degradation.

22. Reform of the fiscal system could change the mix of taxes towards environmental taxes, thus bringing the economy closer to sustainable development by stimulating employment, economic growth and resource conservation and discouraging resource depletion and environmental pollution. Such fiscal reform could save government expenditures on environmental regulation and pollution abatement and thereby indirectly advance the objectives of Agenda 21. This shift should be gradual and implemented in phases to avoid undue disruptions. Furthermore, care should be taken that the poor and disadvantaged are adequately protected.

23. In addition to environmental taxation, a number of other policies can have indirect benefits for mobilizing resources for sustainable development. They include reducing incremental resource requirements (by, for example, improving energy efficiency and conservation); promoting tradeable permits; defining property rights; as well as phasing out subsidies and reducing military spending. The latter would release significant resources for financing sustainable development. However, these measures need to be studied in more detail to assess their feasibility and impact.

24. Finally, there was great interest in exploring ways and means of involving the private sector more strongly in investment for sustainable development.

IV. INNOVATIVE FINANCIAL MECHANISMS

25. The discussion of innovative financing focused on debt-related mechanisms, national environmental funds, market-based instruments and international tax mechanisms.

26. Carefully designed, debt-for-sustainable-development swaps are useful instruments for providing short-term relief and could complement such other mechanisms as improved access to international finance. Debt-for-sustainable-development swaps include debt-for-nature swaps, as well as debt for child development, debt for education and debt for habitat programmes.

27. There was strong interest in the establishment of national environmental funds, which could play a catalytic role in improving environmental management, biodiversity conservation and equitable use of natural resources. Environmental funds have been initiated in many countries and have received substantial funding commitments. Green investment funds and venture capital funds, recently launched in some countries, provide promising market-based mechanisms to mobilize resources for sustainable development. More needs to be done to promote these funds, including, if necessary, the establishment of clearing-houses for accurate and up-to-date information.

28. As regards joint implementation in the context of the United Nations Framework Convention on Climate Change, this needs to evolve within the context of the Convention.

29. The international mechanisms for the financing of sustainable development could include international emission charges, tradeable permits on greenhouse gas emissions, taxes on air travel, and fees and arrangements to cover international environmental disasters, including those related to transportation of hazardous materials and wastes. More work needs to be done, especially to examine their feasibility, legal modalities and administrative arrangements.

V. MULTILATERAL CONSIDERATION OF POLICY REFORMS

30. All countries stand to benefit in the long run from international and domestic policy reforms that make development more sustainable. In the short run, however, the reality is that not all individual industries within a given country will benefit. Industries that currently use natural resources the least efficiently and create the greatest externalities will suffer the most. They can be expected to oppose policy reforms that force them to pay the full cost of the resources they use and the environmental damage they generate.

31. In many cases, the necessary policy reforms will have significant international economic ramifications. Consider, as an example, the case of energy subsidies. A reduction in energy subsidies would liberate substantial budgetary resources, stimulate more efficient energy use and improve air quality. In the short run, however, it would affect the competitiveness of energy-intensive industries, cause job losses in those industries, and raise the prices of many essential goods, which might be particularly difficult for low-income households to bear. As such, countries are understandably reluctant to

phase out energy subsidies unilaterally. Similar reluctance can be expected to confront the removal of other environmentally damaging subsidies, as well as the imposition of pollution taxes and other policies for internalizing externalities. As an illustration, international trade policy reform provides a useful and time-tested example of the difficulties involved. In principle, trade liberalization benefits all countries in the long run. In practice, however, trade reform has taken more than four decades of often tedious negotiations, and is still not complete. But significant progress has been made to the benefit of the growth of international trade. Policy reforms related to the more complicated objective of sustainable development cannot be expected to be realized any more easily.

32. The restructuring of the world economy called for by Agenda 21 therefore requires a long-term, ongoing, incremental process. In some cases, the environmental and economic benefits of domestic policy reforms will be so compelling that enlightened countries will be willing to act unilaterally. For policy reforms that have international ramifications, however, the process will probably need to be multilateral. There are already such processes for purely global environmental problems, in the form of the various international conventions. But there is no existing process for coordinated domestic policy reforms related to more domestic environmental problems. Progress towards resolving those problems would benefit all countries in the long run.

33. It would be a practical step forward for any such process to begin with the easiest policy reforms, that is the ones with the most obvious economic and environmental benefits and the lowest political costs. Over time, more difficult reforms could be tackled, just as trade liberalization proceeded in an evolutionary and pragmatic way. As the benefits of policy reforms become increasingly evident over time, in the form of higher standards of living and a cleaner environment, successive policy reforms should become easier and possibly move faster.

34. The ultimate objective is to move gradually and steadily toward full-cost pricing of all goods in all countries, taking full account of the need to safeguard the interests of the poor and disadvantaged. As a practical matter, countries can be expected to move at different rates, considering the different economic, social and political constraints they face and the different environmental standards they have adopted. The process would not, of course, preclude them from making unilateral reforms outside the context of the process itself. The precise structure and negotiating arrangements for such a process would depend on the nature of the particular reforms involved, and obviously needs detailed study. Existing forums or a process modelled on proved international negotiating processes (perhaps, a series of "Green Rounds") should be carefully examined and considered.

VI. FINANCING SECTORAL CLUSTERS

35. The five sectoral clusters under review are health, freshwater, human settlements, toxic chemicals and hazardous wastes. They involve diverse financing issues, are linked in various ways, and financial mechanisms related to the sectors share a number of basic features.

36. Additional financial resources are indeed necessary in all sectors under review. For example, more than 1 billion people in developing countries have shelter unfit for human habitation. One billion lack access to an adequate supply of freshwater and another 1.7 billion do not have adequate sanitation services. Similarly large numbers of people lack access to primary and other forms of health care. Large numbers are exposed to toxic chemicals and hazardous wastes.

37. There is growing recognition of the need to shift away from the traditional supply-driven approach to the sectors, which is characterized by top-down planning (public-sector projects and an emphasis upon quantity of services provided), towards a demand-driven approach, which involves greater involvement of the private sector, local communities and households in financing and determining the types of services to be provided. The preparation and implementation of national sustainable development plans and strategies, properly carried out, could facilitate this demand-driven approach.

38. There was also emphasis on the need to focus on pollution prevention rather than on "end-of-pipe" solutions.

39. The new approaches recognize that users are best able to judge the types of services desired and the trade-offs between the benefits and costs of different types of services. They emphasize self-financing (cost recovery through application of user fees) and participatory planning, development and management of the services provided. Furthermore, they call for decisions to be made at the lowest appropriate level. They do not treat financing as a residual activity, to be costed once government planners have identified the type and level of services to be provided. Rather, they integrate financial and economic considerations into sectoral development by determining which services users want and are willing to pay for.

40. A variety of financial mechanisms are available for raising the necessary funds for investment in the sectoral areas under review. The appropriate mix of mechanisms will vary from sector to sector and country to country. Funds should be allocated to economically viable investments, prices should in general be cost-covering and, if possible, public funds should only be used for services that benefit the general public.

41. Examples for the application of these general principles can be found in the health sector, in water supply and in the disposal of hazardous wastes. Sanitation, health and housing are areas where supplemental public funding commensurate with the public benefits they provide may be justified. In the case of health, ability to pay is often severely limited for the disabled and the poor, who account for a high proportion of the groups targeted by health care programmes.

42. ODA, loans from international financial institutions, and, in some cases debt swaps, provide important sources of external funds for sectoral activities. ODA remains especially important in low-income countries. Agenda 21 has identified domestic resources as an important source of funding for sectoral activities. User fees and instruments based on full-cost pricing offer means of

cost recovery. The private sector can also offer financing for sectoral investments, for example through build-operate-transfer and related schemes.

43. There is a need to reorient future discussions on financing of sectoral areas of Agenda 21 towards a better mix of policy reforms and funding sources, given the wide variety of traditional and innovative financial mechanisms. Identification of such a matrix of appropriate financial sources and mechanisms that appear most promising for particular sectors would be useful for the Commission in discussing a general policy framework for mobilizing domestic and external financial resources, including new and additional resources. This framework could then be considered by national policy makers, financial institutions, donors and other interested parties. The development of such a policy framework would require the active involvement of not only experts on the sectors but also experts on public finance, bankers, investors and other relevant parties from the private sector, as well as non-governmental organizations. In this regard, interested countries and organizations are encouraged to consider sponsoring and organizing inter-sessional workshops and case-studies on financing particular sectoral clusters, with a view to making recommendations and identifying specific financing mechanisms for consideration by the Commission through its Working Group on Finance. Such in-depth analysis of the diversity of financial needs in different sectors could also be helpful in mobilizing increased political support for ODA.

44. Other work to be undertaken with regard to sectoral finance should usefully include a better breakdown of sources of funding, including ODA, according to the sectoral clusters of Agenda 21, and an improved methodology for the assessment of investment requirements of particular sectors in comparison with available financial resources.

VII. OTHER MATTERS

45. The Working Group took note of the communication received from the Chairman of the Inter-Sessional Ad Hoc Open-ended Working Group on Technology Transfer and Cooperation regarding the proposals on measures and mechanisms to finance the transfer of environmentally sound technologies. These proposals fit within the menu of funding mechanisms discussed by the Working Group on Finance. In this regard, it will be necessary to apply the entire range of financial instruments and arrangements identified in the present report to fund technology assistance, in particular to developing countries, besides those identified by the Working Group on Technology Transfer and Cooperation (E/CN.17/1994/11, sect. IV).

VIII. AREAS FOR ACTION

46. The Working Group recommends that the Commission on Sustainable Development at its second session:

(a) Involve more actively private business, the financial community and non-governmental organizations in efforts to effectively mobilize financial resources for the implementation of Agenda 21 and consider further promoting the

dialogue with these constituencies at future sessions of the Commission, as recommended in paragraph 4 above;

(b) Urge all parties concerned, in the spirit of global partnership, to:

(i) Honour all financial commitments made at UNCED, including those on ODA, and continue the search for a more effective use of ODA;

(ii) Strengthen substantially the capacity of international financial institutions and other international organizations to more effectively and demonstrably implement Agenda 21;

(iii) Expeditiously implement trade liberalization agreed upon under the Uruguay Round of multilateral trade negotiations, and seek further trade liberalization;

(iv) Support efforts of developing countries, particularly those in Africa, to diversify their economies in order to mitigate negative terms of trade developments;

(v) Promote policy measures which encourage and attract foreign direct investment and other private capital flows;

(vi) Pursue further external debt reduction and relief measures, including the search for innovative ways to address the debt problem;

(vii) Continue to promote national sustainable development plans and strategies;

(viii) Promote the mobilization of domestic financial resources for sustainable development through various means, including policy reforms and the use of economic instruments and incentives;

(ix) Consider the use of an effective multilateral forum to best promote the coordination of policy reforms for sustainable development;

(x) Promote the exchange of information on specific experiences related to the financing of sustainable development;

(c) Promote the search for an adequate mix of policies and funding sources for various sectoral areas, as suggested in the present report;

(d) Consider appropriate means of examining thoroughly specific traditional and innovative financial instruments proposed in the present report through various means, including workshops, case-studies and pilot projects.

IX. ORGANIZATIONAL MATTERS

A. Opening and duration of the session

47. The Working Group met at United Nations Headquarters from 28 February to 2 March 1994, in accordance with Economic and Social Council decision 1993/314 of 29 July 1993. The Working Group held six meetings (1st to 6th).

48. The session was opened by the Chairman of the Commission on Sustainable Development, Mr. Razali Ismail (Malaysia).

49. An introductory statement was made by the Under-Secretary-General for Policy Coordination and Sustainable Development.

50. A statement was also made by the representative of Malaysia.

B. Attendance

51. Representatives of all States members of the Commission on Sustainable Development attended the session. Observers for other States Members of the United Nations and for non-member States, representatives of organizations of the United Nations system and observers for intergovernmental and non-governmental organizations also attended. A list of participants is contained in annex I to the present report.

C. Election of officers

52. At the 1st meeting, on 28 February, the Working Group elected, by acclamation, Lin See-Yan (Malaysia) Chairman.

D. Agenda and organization of work

53. At the 1st meeting, on 28 February, after hearing a statement by the representative of Brazil, the Working Group adopted the provisional agenda contained in document E/CN.17/ISWG.II/1994/1 (see annex II).

E. Documentation

54. The Working Group had before it the report of the Secretary-General entitled "Financial resources and mechanisms for sustainable development: overview of current issues and developments" (E/CN.17/ISWG.II/1994/2) and a number of background papers.

Annex I

ATTENDANCE

Members

Algeria:	
Antigua and Barbuda:	Lionel Hurst, John W. Ashe
Australia:	Tony Kelloway, Corinne Tomkinson
Austria:	
Barbados:	
Belarus:	Alexei A. Mojoukhov, Gregory Borushko
Belgium:	Henry Dumont, J. Engelen, Filip Peeters
Benin:	Rene Valery Mongbe, Rogatien Biaou
Bolivia:	Erwin Ortiz-Gandarillas
Brazil:	Ronaldo Mota Sardenberg, Pedro Motta Pinto Coelho, Regis Percy Arslanian, Renault de Freitas Castro
Bulgaria:	Ivan Vladimirov Peichev
Burkina Faso:	Gaetan Rimwanguiya Ouédraogo, Mamadou Sermé, Moussa B. Nébié, Awa Ouédraogo
Canada:	John Fraser, Mark Gawn, Sushman Gera, Caroll Nelder-Corvari, Jennifer Irish
Chile:	Gonzalo Biggs
China:	Wang Baoliu, Wang Xiaolong
Colombia:	Luis Fernando Jaramillo, Juanita Castaño, Hernando Clavijo
Cuba:	Concepción Muñoz
Czech Republic:	Bedrich Moldan, Karel Zebrakovsky
Egypt:	Mostafa Tolba, Somaya Saad, Tarek Genena
France:	Monique Barbut, Bernard Devin, Philippe Delacroix
Gabon:	

Members

Germany:	Hans-Peter Schipulle, Knut Beyer, Jürgen Wenderoth
Guinea:	
Hungary:	István Gyebnár
Iceland:	
India:	
Indonesia:	
Italy:	
Japan:	Takao Shibata, Kinji Shinoda
Malawi:	Fexton D. J. Matupa
Malaysia	Lin See Yan, Hadenan Abdul Jalil, Zainal Aznam Yusof, S. Thanarajasingam, Hussein Haniff, Badruddin Ab. Rahman
Mexico:	Gerardo Lozano, José Robles, Patricia Belmar
Morocco:	Abdallah El Ouadghiri, Ahmed Amaziane
Namibia:	Arnold van Kent
Netherlands:	F. L. Schlingemann, Joke Waller, Arjan Hamburger, Patricia Vrij, Margot de Jong
Nigeria:	
Norway:	Svein Aass, Idunn Eidheim
Pakistan:	
Philippines:	Jose Lino Guerrero, Gil Beltran
Poland:	Wojciech Ponikiewski
Republic of Korea:	Wonil Cho, Dong Wook Kim, Hong Jai Im, Hoon Choi, Ho-Saeng Rhee
Russian Federation:	
Singapore:	Chew Tai Soo, Viji Menon, Burhanudeen Gafoor
Sri Lanka:	S. A. Karunaratne

Members

Tunisia:	Slaheddine Abdellah, Amor Ardhaoui, Frisa Jaafar, Salem Goulli, Ghazi Jomaa
Turkey:	Istiklal Alpar, Levent Murat Burhan, Hüseyin Avni Karshoglu
Uganda:	
United Kingdom of Great Britain and Northern Ireland:	Suma Chakrabarti, Ann Grant, Victoria Harris, Robin Barnett
United Republic of Tanzania:	
United States of America:	William Milam, John P. McGuinness, George Herrfurth, Bisa Williams-Manigault, Mark Kindall
Uruguay:	
Vanuatu:	
Venezuela:	Carlos Bivero, Javier Diaz, María A. Silva

States Members of the United Nations represented by observers

Argentina, Bahamas, Denmark, Estonia, Finland, Guyana, Iran (Islamic Republic of), Iraq, Ireland, Israel, Jordan, Kenya, Latvia, Lithuania, Mauritania, Myanmar, Nepal, Oman, Peru, Saudi Arabia, Spain, Sweden, Thailand, Trinidad and Tobago, Zimbabwe

Non-member States represented by an observer

Switzerland

United Nations Secretariat

United Nations Children's Fund, United Nations Conference on Trade and Development, United Nations Development Programme, United Nations University

Specialized agencies and GATT

United Nations Educational, Scientific and Cultural Organization, World Bank, International Monetary Fund

Intergovernmental organizations

European Economic Community

Non-governmental organizations

National Wildlife Federation (non-governmental organization in consultative status with the Economic and Social Council, category II); the Cousteau Society Inc., the Progress Agency (non-governmental organizations accredited to the Commission on Sustainable Development).

Annex II

AGENDA

1. Adoption of the agenda and other organizational matters.

2. Overview of financial resources and mechanisms in the context of chapter 33 of Agenda 21 and in accordance with decision F adopted by the Commission on Sustainable Development at its first session.

3. Ways and means of increasing the effectiveness of the use of existing financial resources and of mobilizing new and additional resources from all sources:

   (a) Consideration of international policy instruments such as debt relief, terms of trade, commodity prices, market access and private foreign investment as well as to review mechanisms for innovative financing in the context of paragraph 33.16 of Agenda 21;

   (b) Consideration of national policy instruments;

   (c) Specific experiences and initiatives in the sectors under review.

4. Requirements, availability and adequacy of financial resources and mechanisms in the sectors under review: assessment and methodological questions.

5. Specific policy options for the mobilization of financial resources towards a balanced implementation of all aspects of Agenda 21 under consideration by the Commission on Sustainable Development in 1994, in the light of the discussion of the above items.

6. Other matters.

7. Adoption of the report of the Working Group.